APR 2 8 2005
APPROPRIATIONS CALENDAR

HOUSE FILE 882
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO LSB 1588HA)

Passed House, Date 4-29-05 Passed Senate, Date _____
Vote: Ayes 54 Nays 45 Vote: Ayes _____ Nays _____
Approved _____, June 16, 2005
Item Veto

## A BILL FOR

1 An Act making, reducing, and transferring appropriations,
2 providing for fees, and providing for properly related matters
3 and including effective and retroactive applicability date
4 provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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HF 882

TLSB 1588HV 81
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S.F. _____ H.F. 882

1 DIVISION I
2 MH/MR/DD ALLOWED GROWTH FUNDING
3 Section 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
4 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS
5 -- FISCAL YEAR 2006-2007.
6 1. There is appropriated from the general fund of the
7 state to the department of human services for the fiscal year
8 beginning July 1, 2006, and ending June 30, 2007, the
9 following amount, or so much thereof as is necessary, to be
10 used for the purpose designated:
11 For distribution to counties of the county mental health,
12 mental retardation, and developmental disabilities allowed
13 growth factor adjustment, as provided in this section in lieu
14 of the provisions of section 331.438, subsection 2, and
15 section 331.439, subsection 3, and chapter 426B:
16 ..... $ 33,361,148
17 2. The funding appropriated in this section is the allowed
18 growth factor adjustment for fiscal year 2006-2007, and is
19 allocated as follows:
20 a. For distribution to counties for fiscal year 2005-2006
21 in accordance with the formula in section 331.438, subsection
22 2, paragraph "b":
23 ..... $ 12,000,000
24 b. For deposit in the per capita expenditure target pool
25 created in the property tax relief fund and for distribution
26 in accordance with section 426B.5, subsection 1:
27 ..... $ 19,361,148
28 c. For deposit in the risk pool created in the property
29 tax relief fund and for distribution in accordance with
30 section 426B.5, subsection 2:
31 ..... $ 2,000,000
32 DIVISION II
33 STANDING APPROPRIATIONS
34 Sec. 2. Notwithstanding the standing appropriations in the
35 following designated sections for the fiscal year beginning

1 July 1, 2005, and ending June 30, 2006, the amounts
2 appropriated from the general fund of the state pursuant to
3 those sections for the following designated purposes shall not
4 exceed the following amounts:
5 1. For instructional support state aid under section
6 257.20:
7 ..... $ 14,428,271
8 2. For at-risk children programs under section 279.51,
9 subsection 1:
10 ..... $ 11,271,000
11 The amount of any reduction in this subsection shall be
12 prorated among the programs specified in section 279.51,
13 subsection 1, paragraphs "a", "b", and "c".
14 3. For payment for nonpublic school transportation under
15 section 285.2:
16 ..... $ 8,273,763
17 If total approved claims for reimbursement for nonpublic
18 school pupil transportation claims exceed the amount
19 appropriated in this section, the department of education
20 shall prorate the amount of each claim.
21 4. For the educational excellence program under section
22 294A.25, subsection 1:
23 ..... $ 55,469,053
24 5. For the state's share of the cost of the peace
25 officers' retirement benefits under section 411.20:
26 ..... $ 2,745,784
27 6. For payment of livestock production tax credit refunds
28 under section 422.121:
29 ..... $ 1,770,342
30 Sec. 3. PROPERTY TAX CREDIT FUND -- PAYMENTS IN LIEU OF
31 GENERAL FUND REIMBURSEMENT.
32 1. Notwithstanding section 8.57, prior to the
33 appropriation and distribution to the cash reserve fund of the
34 surplus existing in the general fund of the state at the
35 conclusion of the fiscal year beginning July 1, 2004, and

1 ending June 30, 2005, pursuant to section 8.57, subsection 1,
2 of that surplus, $159,600,000 is appropriated to the property
3 tax credit fund which shall be created in the office of the
4 treasurer of state to be used for the purposes of this
5 section.
6 2. Notwithstanding the amount of the standing
7 appropriation from the general fund of the state in the
8 following designated sections and notwithstanding any
9 conflicting provisions or voting requirements of section 8.56,
10 there is appropriated from the property tax credit fund in
11 lieu of the appropriations in the following designated
12 sections for the fiscal year beginning July 1, 2005, and
13 ending June 30, 2006, the following amounts for the following
14 designated purposes:
15 a. For reimbursement for the homestead property tax credit
16 under section 425.1:
17 ..... $102,945,379
18 b. For reimbursement for the agricultural land and family
19 farm tax credits under sections 425A.1 and 426.1:
20 ..... $ 34,610,183
21 c. For reimbursement for the military service tax credit
22 under section 426A.1A:
23 ..... $ 2,568,402
24 d. For implementing the elderly and disabled tax credit
25 and reimbursement pursuant to sections 425.16 through 425.40:
26 ..... $ 19,540,000
27 If the director determines that the amount of claims for
28 credit for property taxes due plus the amount of claims for
29 reimbursement for rent constituting property taxes paid which
30 are to be paid during the fiscal year may exceed the amount
31 appropriated, the director shall estimate the percentage of
32 the credits and reimbursements which will be funded by the
33 appropriation. The county treasurer shall notify the director
34 of the amount of property tax credits claimed by June 8. The
35 director shall estimate the percentage of the property tax

1 this Act creating the property tax credit fund, being deemed
2 of immediate importance, takes effect upon enactment.
3 DIVISION III
4 OTHER APPROPRIATIONS
5 Sec. 7. PKU ASSISTANCE. There is appropriated from the
6 general fund of the state to the department of human services
7 for the fiscal year beginning July 1, 2005, and ending June
8 30, 2006, the following amount, or so much thereof as is
9 necessary, to be used for the purpose designated:
10 For providing grants to families with one or more children
11 who have phenylketonuria (PKU) to assist with the costs of
12 special food needed by the children:
13 ..... $ 100,000
14 Sec. 8. 2005 Iowa Acts, House File 809, section 2,
15 subsection 1, paragraph a, if enacted, is amended to read as
16 follows:
17 a. General administration
18 For salaries, support, maintenance, miscellaneous purposes,
19 programs, for the transfer to the Iowa state commission grant
20 program, and for not more than the following full-time
21 equivalent positions:
22 ..... $ ~~1,956,332~~
23 1,841,332
24 ..... FTEs 28.75
25 Sec. 9. 2005 Iowa Acts, House File 809, section 2,
26 subsection 4, if enacted, is amended to read as follows:
27 4. For allocating moneys for the world food prize:
28 ..... $ ~~285,000~~
29 400,000
30 Sec. 10. 2005 Iowa Acts, House File 810, section 7,
31 subsection 2, if enacted, is amended to read as follows:
32 2. BANKING DIVISION
33 For salaries, support, maintenance, and miscellaneous
34 purposes, and for not more than the following full-time
35 equivalent positions:

1 ..... $ ~~6,583,545~~
2 6,793,223
3 ..... FTEs ~~69.00~~
4 72.00
5 Sec. 11. 2005 Iowa Acts, House File 810, section 7,
6 subsection 5, if enacted, is amended to read as follows:
7 5. PROFESSIONAL LICENSING AND REGULATION DIVISION
8 For salaries, support, maintenance, and miscellaneous
9 purposes, and for not more than the following full-time
10 equivalent positions:
11 ..... $ ~~782,671~~
12 836,921
13 ..... FTEs ~~12.00~~
14 12.75
15 Sec. 12. 2005 Iowa Acts, House File 825, section 29,
16 subsection 1, paragraph a, subparagraph (3), if enacted, is
17 amended to read as follows:
18 (3) For recalculation of the per diem cost and the
19 patient-day-weighted medians used in rate setting for nursing
20 facilities effective July 1, 2005, the inflation factor
21 applied from the midpoint of the cost report period to the
22 first day of the state fiscal year rate period shall not be
23 less than zero percent.
24 Sec. 13. 2005 Iowa Acts, House File 825, section 40,
25 subsection 1, if enacted, is amended to read as follows:
26 1. To supplement the medical assistance appropriation,
27 including program administration and costs associated with
28 implementation, salaries, support, maintenance, and
29 miscellaneous purposes:
30 ..... $ ~~50,200,000~~
31 53,147,109
32 Sec. 14. 2001 Iowa Acts, chapter 174, section 1,
33 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,
34 section 8, 2003 Iowa Acts, chapter 179, section 38, and 2004
35 Iowa Acts, chapter 1175, section 270, is amended to read as

1 follows:
2 2. There is appropriated from the general fund of the
3 state to the endowment for Iowa's health account of the
4 tobacco settlement trust fund created in section 12E.12, for
5 the designated fiscal years, the following amounts, to be used
6 for the purposes specified in section 12E.12 for the endowment
7 for Iowa's health account:
8 FY 2001-2002 ..... $ 7,248,000
9 FY 2003-2004 ..... $ 0
10 FY 2004-2005 ..... $ 0
11 FY 2005-2006 ..... $ ~~29,562,000~~
12 0
13 FY 2006-2007 ..... $ 17,773,000
14 Sec. 15. Section 8.55, subsection 2, paragraphs b and d,
15 Code 2005, are amended by striking the paragraphs.
16 Sec. 16. Section 8.55, subsection 2, paragraph c, Code
17 2005, is amended to read as follows:
18 c. Notwithstanding paragraph "a", any moneys in excess of
19 the maximum balance in the economic emergency fund after the
20 distribution of the surplus in the general fund of the state
21 at the conclusion of each fiscal year ~~and after the~~
22 ~~appropriate amount has been transferred pursuant to paragraph~~
23 ~~"b",~~ shall not be transferred to the general fund of the state
24 but shall be transferred to the senior living trust fund. The
25 total amount transferred, in the aggregate, under this
26 paragraph for all fiscal years shall not exceed one hundred
27 eighteen million dollars.
28 Sec. 17. Section 256D.5, subsection 4, Code 2005, is
29 amended to read as follows:
30 4. For each fiscal year of the fiscal ~~year~~ period
31 beginning July 1, 2004, and ending June 30, ~~2005~~ 2006, the sum
32 of twenty-nine million two hundred fifty thousand dollars.
33 Sec. 18. Section 292.4, Code 2005, is repealed.
34 Sec. 19. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
35 1. The section of this division of this Act repealing

1 section 292.4, being deemed of immediate importance, takes
2 effect upon enactment and applies retroactively to July 1,
3 2004.
4 2. The section of this division of this Act amending House
5 File 810 to increase the funding and FTEs for the banking
6 division is contingent upon the enactment of House File 737.
7 3. The section of this division of this Act amending House
8 File 810 to increase the funding and FTEs for the professional
9 licensing and regulation division is contingent upon the
10 enactment of Senate File 405.
11 DIVISION IV
12 MISCELLANEOUS STATUTORY CHANGES
13 Sec. 20. Section 12B.10, Code 2005, is amended by adding
14 the following new subsections:
15 NEW SUBSECTION. 7. Notwithstanding sections 12C.2, 12C.4,
16 12C.6, 12C.6A, and any other provision of law relating to the
17 deposits of public funds, if public funds are deposited in a
18 depository, as defined in section 12C.1, then, in addition to
19 investments authorized in subsections 4 and 5, any uninsured
20 portion of the public funds invested through the depository
21 may be invested in certificates of deposit arranged by the
22 depository that are issued by one or more federally insured
23 banks or savings associations regardless of location for the
24 account of the public funds depositor if all of the following
25 requirements are satisfied:
26 a. The full amount of the principal and any accrued
27 interest of each certificate of deposit issued shall be
28 covered by federal deposit insurance.
29 b. The depository, either directly or through an agent or
30 subcustodian, shall act as custodian of the certificates of
31 deposit.
32 c. The day the certificates of deposit are issued, the
33 depository shall have received deposits in an amount eligible
34 for federal deposit insurance from, and issued certificates of
35 deposit to, customers of other financial institutions wherever

1 located that are equal to or greater than the amount of public
2 funds invested under this subsection by the public funds
3 depositor through the depository.
4 NEW SUBSECTION. 8. As used in this section, "public
5 funds" means the same as defined in section 12C.1, subsection
6 2.
7 Sec. 21. Section 12C.22, subsection 2, unnumbered
8 paragraph 1, Code 2005, is amended to read as follows:
9 The amount of the collateral required to be pledged by a
10 bank shall at all times equal or exceed the total of the
11 amount by which the public funds deposits in the bank exceeds
12 the total capital of the bank. For purposes of this section,
13 deposits that comply with section 12B.10, subsection 7, that
14 are evidenced either by one or more certificates of deposit,
15 or one or more orders for the next business day settlement and
16 issuance of certificates of deposit, by a federally insured
17 bank or savings association other than the depository, shall
18 not be deemed public fund deposits in the bank or savings
19 association. For purposes of this chapter, unless the context
20 otherwise requires, "total capital of the bank" means its tier
21 one capital plus both of the following components of tier two
22 capital:
23 Sec. 22. Section 12C.23A, subsection 3, paragraph d, Code
24 2005, is amended by adding the following new unnumbered
25 paragraph:
26 NEW UNNUMBERED PARAGRAPH. For purposes of this section,
27 when calculating uninsured public funds, a bank shall include
28 all deposits of customers of other financial institutions as
29 permitted by section 12B.10, subsection 7.
30 Sec. 23. Section 99F.6, subsection 4, paragraph a, Code
31 2005, is amended to read as follows:
32 a. Before a license is granted, the division of criminal
33 investigation of the department of public safety shall conduct
34 a thorough background investigation of the applicant for a
35 license to operate a gambling game operation on an excursion

1 gambling boat. The applicant shall provide information on a
2 form as required by the division of criminal investigation. A
3 qualified sponsoring organization licensed to operate gambling
4 games under this chapter shall distribute the receipts of all
5 gambling games, less reasonable expenses, charges, taxes,
6 fees, and deductions allowed under this chapter, as winnings
7 to players or participants or shall distribute the receipts
8 for educational, civic, public, charitable, patriotic, or
9 religious uses as defined in section 99B.7, subsection 3,
10 paragraph "b". However, a licensee to conduct gambling games
11 under this chapter shall, unless an operating agreement for an
12 excursion gambling boat otherwise provides, distribute at
13 least three percent of the adjusted gross receipts for each
14 license year for educational, civic, public, charitable,
15 patriotic, or religious uses as defined in section 99B.7,
16 subsection 3, paragraph "b". However, if a licensee who is
17 also licensed to conduct pari-mutuel wagering at a horse
18 racetrack has unpaid debt from the pari-mutuel racetrack
19 operations, the first receipts of the gambling games operated
20 within the racetrack enclosure less reasonable operating
21 expenses, taxes, and fees allowed under this chapter shall be
22 first used to pay the annual indebtedness. The commission
23 shall authorize, subject to the debt payments for horse
24 racetracks and the provisions of paragraph "b" for dog
25 racetracks, a licensee who is also licensed to conduct pari-
26 mutuel dog or horse racing to use receipts from gambling games
27 within the racetrack enclosure to supplement purses for races
28 particularly for Iowa-bred horses pursuant to an agreement
29 which shall be negotiated between the licensee and
30 representatives of the dog or horse owners. For agreements
31 subject to commission approval concerning purses for horse
32 racing beginning on or after January 1, 2006, and ending
33 before January 1, 2021, the agreements shall provide that
34 total annual purses for all horse racing shall be no less than
35 eleven percent of the first two hundred million dollars of net

1 receipts, and six percent of net receipts above two hundred
2 million dollars. Agreements that are subject to commission
3 approval concerning horse purses for a particular period of
4 time beginning on or after January 1, 2006, and ending before
5 January 1, 2021, shall be jointly submitted to the commission
6 for approval. A qualified sponsoring organization shall not
7 make a contribution to a candidate, political committee,
8 candidate's committee, state statutory political committee,
9 county statutory political committee, national political
10 party, or fund-raising event as these terms are defined in
11 section 68A.102. The membership of the board of directors of
12 a qualified sponsoring organization shall represent a broad
13 interest of the communities. For purposes of this paragraph,
14 "net receipts" means the annual adjusted gross receipts from
15 all gambling games less the annual amount of money pledged for
16 bonded indebtedness by the owner of the facility to fund a
17 project approved to receive vision Iowa funds as of July 1,
18 2004.
19 Sec. 24. Section 124.212, subsection 4, paragraph c, as
20 enacted by 2005 Iowa Acts, Senate File 169, section 1, is
21 amended to read as follows:
22 c. Pseudoephedrine. A person shall present a government-
23 issued photo identification card when purchasing a
24 pseudoephedrine product from a pharmacy. A person shall not
25 purchase more than seven thousand five hundred milligrams of
26 pseudoephedrine, either separately or collectively, within a
27 thirty-day period from a pharmacy, unless the person has a
28 prescription for a pseudoephedrine product in excess of that
29 quantity.
30 Sec. 25. Section 142A.4, Code 2005, is amended by adding
31 the following new subsection:
32 NEW SUBSECTION. 23. Approve the content of any materials
33 distributed by the youth program pursuant to section 142A.9,
34 prior to distribution of the materials.
35 Sec. 26. Section 257.14, subsection 3, unnumbered

1 paragraph 2, Code 2005, is amended by striking the unnumbered
2 paragraph.
3 Sec. 27. Section 403A.10, Code 2005, is amended by adding
4 the following new unnumbered paragraph:
5 NEW UNNUMBERED PARAGRAPH. The property acquired or held
6 pursuant to this chapter located in a city with a population
7 of at least one hundred ten thousand residents with a public
8 housing authority that does not own or manage housing stock
9 for the purpose of low-rent housing is declared to be public
10 property used exclusively for essential city, or municipal
11 public and governmental purposes and such property is declared
12 to be exempt from all taxes and special assessments of the
13 state or of any state public body. In lieu of taxes on such
14 property a municipality may agree to make payments to the
15 state or a state public body, including itself, as it finds
16 consistent with the maintenance of the low-rent character of
17 housing projects and the achievement of the purposes of this
18 chapter.
19 Sec. 28. Section 423E.5, unnumbered paragraph 1, Code
20 2005, is amended to read as follows:
21 The board of directors of a school district shall be
22 authorized to issue negotiable, interest-bearing school bonds,
23 without election, and utilize tax receipts derived from the
24 sales and services tax for school infrastructure purposes and
25 the supplemental school infrastructure amount distributed
26 pursuant to section 423E.4, subsection 2, paragraph "b", for
27 principal and interest repayment. Proceeds of the bonds
28 issued pursuant to this section shall be utilized solely for
29 school infrastructure needs as school infrastructure is
30 defined in section 423E.1, subsection 3. Bonds issued under
31 this section may be sold at public ~~or private~~ sale as provided
32 in chapter 75, or at private sale, without notice and hearing
33 as provided in section 73A.12. Bonds may bear dates, bear
34 interest at rates not exceeding that permitted by chapter 74A,
35 mature in one or more installments, be in registered form,

1 carry registration and conversion privileges, be payable as to
2 principal and interest at times and places, be subject to
3 terms of redemption prior to maturity with or without premium,
4 and be in one or more denominations, all as provided by the
5 resolution of the board of directors authorizing their
6 issuance. The resolution may also prescribe additional
7 provisions, terms, conditions, and covenants which the board
8 of directors deems advisable, including provisions for
9 creating and maintaining reserve funds, the issuance of
10 additional bonds ranking on a parity with such bonds and
11 additional bonds junior and subordinate to such bonds, and
12 that such bonds shall rank on a parity with or be junior and
13 subordinate to any bonds which may be then outstanding. Bonds
14 may be issued to refund outstanding and previously issued
15 bonds under this section. Local option sales and services tax
16 revenue bonds are a contract between the school district and
17 holders, and the resolution issuing the bonds and pledging
18 local option sales and services tax revenues to the payment of
19 principal and interest on the bonds is a part of the contract.
20 Bonds issued pursuant to this section shall not constitute
21 indebtedness within the meaning of any constitutional or
22 statutory debt limitation or restriction, and shall not be
23 subject to any other law relating to the authorization,
24 issuance, or sale of bonds.
25 Sec. 29. Section 456A.37, subsection 1, paragraph c, Code
26 2005, is amended to read as follows:
27 c. "Aquatic invasive species" means a species that is not
28 native to an ecosystem and whose introduction causes or is
29 likely to cause economic or environmental harm or harm to
30 human health including but not limited to habitat alteration
31 and degradation, and loss of biodiversity. For the purposes
32 of this section, "aquatic invasive species" are limited to
33 Eurasian water milfoil, purple loosestrife, ~~and~~ zebra mussels,
34 ~~except as provided in subsection 4~~ and those species
35 identified as "aquatic invasive species" by the commission by

1 rule.
2 Sec. 30. Section 456A.37, subsection 4, unnumbered
3 paragraph 2, Code 2005, is amended to read as follows:
4 c. If the commission determines that an additional species
5 should be defined as an "aquatic invasive species", the
6 species ~~may~~ shall be defined by the commission by rule as an
7 "aquatic invasive species" ~~subject-to-enactment-of-the~~
8 ~~definition-by-the-general-assembly-at-the-next-regular-session~~
9 ~~of-the-general-assembly.--Failure-of-the-general-assembly-to~~
10 ~~enact-the-definition-pursuant-to-this-paragraph-constitutes-a~~
11 ~~nullification-of-the-definition-effective-upon-adjournment-of~~
12 ~~that-next-regular-session-of-the-general-assembly~~.
13 Sec. 31. Section 543B.34, subsection 9, paragraph a,
14 unnumbered paragraph 1, Code 2005, is amended to read as
15 follows:
16 Paying a commission or other valuable consideration or any
17 part of such commission or consideration for performing any of
18 the acts specified in this chapter to a person who is not a
19 licensed broker or salesperson under this chapter or who is
20 not engaged in the real estate business in another state or
21 foreign country, ~~or-paying-a-commission-or-other-valuable~~
22 ~~consideration-for-performing-any-of-the-acts-specified-in-this~~
23 ~~chapter-to-a-licensee-knowing-that-the-licensee-will-pay-a~~
24 ~~portion-of-or-all-of-such-commission-or-consideration-to-a~~
25 ~~person-or-party-who-is-not-licensed-pursuant-to-this-chapter,~~
26 provided that the provisions of this section shall not be
27 construed to prohibit the payment of earned commissions or
28 consideration to any of the following:
29 Sec. 32. Section 543B.60A, Code 2005, is amended by
30 striking the section and inserting in lieu thereof the
31 following:
32 543B.60A PROHIBITED PRACTICES.
33 1. A licensee shall not request a referral fee after a
34 bona fide offer to purchase is accepted.
35 2. A licensee shall not request a referral fee after a

1 bona fide listing agreement has been signed.
2 3. A licensee shall not offer, promote, perform, provide,
3 or otherwise participate in any marketing plan that requires a
4 consumer to receive brokerage services, including referral
5 services, from two or more licensees in a single real estate
6 transaction, as a required condition for the consumer to
7 receive either of the following:
8 a. Brokerage services from one or more of such licensees.
9 b. A rebate, prize, or other inducement from one or more
10 such licensees.
11 4. For purposes of this section, "consumer" shall include
12 parties or prospective parties to a real estate transaction,
13 clients or prospective clients of a licensee, or customers or
14 prospective customers of a licensee.
15 5. This section does not address relationships between a
16 broker and the broker associates or salepersons licensed
17 under, employed by, or otherwise associated with the broker in
18 a real estate brokerage agency.
19 6. A violation of this section is deemed a violation of
20 section 543B.29, subsection 3.
21 7. The purpose of this section is to prohibit licensee
22 practices that interfere with contractual arrangements, place
23 improper restrictions on consumer choice, compromise a
24 licensee's fiduciary obligations, and create conflicts of
25 interest.
26 Sec. 33. Section 579A.2, subsection 3, paragraph b, Code
27 2005, is amended to read as follows:
28 b. The lien terminates one year after the cattle have left
29 the custom cattle feedlot. ~~Section 554.9515 shall not apply~~
30 ~~to a financing statement perfecting the lien.~~ The lien may be
31 terminated by the custom cattle feedlot operator who files a
32 termination statement as provided in chapter 554, article 9.
33 Sec. 34. Section 579B.4, subsection 1, paragraph b, Code
34 2005, is amended to read as follows:
35 b. For a lien arising out of producing a crop, the lien

1 becomes effective the day that the crop is first planted. In
2 order to perfect the lien, the contract producer must file a
3 financing statement in the office of the secretary of state as
4 provided in section 554.9308. The contract producer must file
5 a financing statement for the crop within forty-five days
6 after the crop is first planted. The lien terminates one year
7 after the crop is no longer under the authority of the
8 contract producer. For purposes of this section, a crop is no
9 longer under the authority of the contract producer when the
10 crop or a warehouse receipt issued by a warehouse operator
11 licensed under chapter 203C for grain from the crop is no
12 longer under the custody or control of the contract producer.
13 ~~Section-554.9515-shall-not-apply-to-a-financing-statement~~
14 ~~perfecting-the-lien.~~ The lien may be terminated by the
15 contract producer who files a termination statement as
16 provided in chapter 554, article 9.
17 DIVISION V
18 JUSTICE SYSTEM AND JUDICIAL BRANCH
19 Sec. 35. STUDY OF COURT RULE RELATED TO TRIBAL COURTS.
20 The general assembly acknowledges that contact and interaction
21 between the Iowa court system and federally recognized tribal
22 courts are ever increasing and the general assembly urges the
23 Iowa supreme court to study this interaction and consider
24 developing and prescribing rules that relate to the tribal
25 court system, tribal court orders, judgments, and decrees.
26 Sec. 36. NEW SECTION. 80.43 VEHICLE DEPRECIATION ACCOUNT
27 -- IOWA STATE PATROL.
28 1. There is appropriated from the general fund of the
29 state to the department of public safety for the indicated
30 fiscal years, the following amounts, or so much thereof as is
31 necessary, to be credited to the department's account under
32 section 8A.365 for vehicles utilized by the Iowa state patrol
33 and to be used as directed by the department of public safety
34 for the purchase of state patrol vehicles:
35 a. For the fiscal year beginning July 1, 2005, and ending

1 June 30, 2006, five hundred ninety-six thousand dollars.
2 b. For the fiscal year beginning July 1, 2006, and ending
3 June 30, 2007, seven hundred nine thousand dollars.
4 c. For the fiscal year beginning July 1, 2007, and ending
5 June 30, 2008, eight hundred forty-one thousand dollars.
6 d. For the fiscal year beginning July 1, 2008, and ending
7 June 30, 2009, eight hundred forty-one thousand dollars.
8 2. Notwithstanding section 12C.7, subsection 2, interest
9 or earnings on moneys credited to the account pursuant to this
10 section shall be credited to the account. Notwithstanding
11 sections 8.33 and 8A.365, moneys appropriated in this section
12 that remain unencumbered or unobligated at the close of the
13 fiscal year shall not revert but shall remain available for
14 expenditure for the purposes designated.
15 Sec. 37. Section 602.6401, subsection 1, Code 2005, is
16 amended to read as follows:
17 1. ~~One~~ Two hundred ~~ninety-one~~ six magistrates shall be
18 apportioned among the counties as provided in this section.
19 Magistrates appointed pursuant to section 602.6402 shall not
20 be counted for purposes of this section.
21 Sec. 38. NEW SECTION. 602.8102A NOTICES RETURNED FOR
22 UNKNOWN ADDRESS -- RESENDING.
23 Notwithstanding any other provision of the Code to the
24 contrary, and subject to rules prescribed by the supreme
25 court, if the clerk of the district court sends a mailing or
26 notice to a person or party and the mailing or notice is
27 returned by the postal service to the clerk of the district
28 court as undeliverable, the clerk is not required to send a
29 repeat or subsequent mailing or notice unless the clerk
30 receives an updated mailing address.
31 Sec. 39. Section 602.8105, subsection 2, Code 2005, is
32 amended to read as follows:
33 2. The clerk of the district court shall collect the
34 following fees for miscellaneous services:
35 a. For filing, entering, and endorsing a mechanic's lien,

1 twenty dollars, and if a suit is brought, the fee is taxable
2 as other costs in the action.
3 b. For filing and entering an agricultural supply dealer's
4 lien and any other statutory lien, twenty dollars.
5 c. For a certificate and seal, ten dollars. However,
6 there shall be no charge for a certificate and seal to an
7 application to procure a pension, bounty, or back pay for a
8 member of the armed services or other person.
9 d. For certifying a change in title of real estate, twenty
10 dollars.
11 e. For filing a praecipe to issue execution under chapter
12 626, twenty-five dollars.
13 f. For filing a praecipe to issue execution under chapter
14 654, fifty dollars.
15 g. For filing a confession of judgment under chapter 676,
16 fifty dollars if the judgment is five thousand dollars or
17 less, and one hundred dollars if the judgment exceeds five
18 thousand dollars.
19 ~~e.~~ h. Other fees provided by law.
20 Sec. 40. Section 901.4, Code 2005, is amended to read as
21 follows:
22 901.4 PRESENTENCE INVESTIGATION REPORT CONFIDENTIAL --
23 DISTRIBUTION.
24 The presentence investigation report is confidential and
25 the court shall provide safeguards to ensure its
26 confidentiality, including but not limited to sealing the
27 report, which may be opened only by further court order. At
28 least three days prior to the date set for sentencing, the
29 court shall ~~serve~~ send a copy of all of the presentence
30 investigation report ~~upon~~ by ordinary or electronic mail, to
31 the defendant's attorney and the attorney for the state, and
32 the report shall remain confidential except upon court order.
33 However, the court may conceal the identity of the person who
34 provided confidential information. The report of a medical
35 examination or psychological or psychiatric evaluation shall

1 be made available to the attorney for the state and to the
2 defendant upon request. The reports are part of the record
3 but shall be sealed and opened only on order of the court. If
4 the defendant is committed to the custody of the Iowa
5 department of corrections and is not a class "A" felon, a copy
6 of the presentence investigation report shall be forwarded by
7 ordinary or electronic mail to the director with the order of
8 commitment by the clerk of the district court and to the board
9 of parole at the time of commitment. Pursuant to section
10 904.602, the presentence investigation report may also be
11 released by ordinary or electronic mail by the department of
12 corrections or a judicial district department of correctional
13 services to another jurisdiction for the purpose of providing
14 interstate probation and parole compact or interstate compact
15 for adult offender supervision services or evaluations, or to
16 a substance abuse or mental health services provider when
17 referring a defendant for services. The defendant or the
18 defendant's attorney may file with the presentence
19 investigation report, a denial or refutation of the
20 allegations, or both, contained in the report. The denial or
21 refutation shall be included in the report. If the person is
22 sentenced for an offense which requires registration under
23 chapter 692A, the court shall release the report by ordinary
24 or electronic mail to the department.
25 Sec. 41. 2005 Iowa Acts, House File 807, section 1,
26 subsection 1, unnumbered paragraph 2, if enacted, is amended
27 to read as follows:
28 For salaries of supreme court justices, appellate court
29 judges, district court judges, district associate judges,
30 judicial magistrates and staff, state court administrator,
31 clerk of the supreme court, district court administrators,
32 clerks of the district court, juvenile court officers, board
33 of law examiners and board of examiners of shorthand reporters
34 and judicial qualifications commission, receipt and
35 disbursement of child support payments, reimbursement of the

1 auditor of state for expenses incurred in completing audits of
2 the offices of the clerks of the district court during the
3 fiscal year beginning July 1, 2005, and maintenance,
4 equipment, and miscellaneous purposes:
5 ..... ~~$118,084,282~~
6 118,404,282
7 Sec. 42. 2005 Iowa Acts, House File 811, section 1,
8 subsection 1, paragraph c, if enacted, is amended to read as
9 follows:
10 c. For legal services for persons in poverty grants as
11 provided in section 13.34:
12 ..... $ ~~0~~
13 750,000
14 Sec. 43. 2005 Iowa Acts, House File 811, section 14,
15 subsection 3, if enacted, is amended to read as follows:
16 3. For the criminalistics laboratory fund, if created in
17 section 602.8108:
18 ..... $ ~~0~~
19 350,000
20 DIVISION VI
21 EDUCATION
22 Sec. 44. Section 11.6, subsection 1, paragraph a,
23 unnumbered paragraph 1, Code 2005, is amended to read as
24 follows:
25 The financial condition and transactions of all cities and
26 city offices, counties, county hospitals organized under
27 chapters 347 and 347A, memorial hospitals organized under
28 chapter 37, entities organized under chapter 28E having gross
29 receipts in excess of one hundred thousand dollars in a fiscal
30 year, merged areas, area education agencies, and all school
31 offices in school districts, shall be examined at least once
32 each year, except that cities having a population of seven
33 hundred or more but less than two thousand shall be examined
34 at least once every four years, and cities having a population
35 of less than seven hundred may be examined as otherwise

1 provided in this section. The examination shall cover the
2 fiscal year next preceding the year in which the audit is
3 conducted. The examination of school offices shall include an
4 audit of all school funds, the certified annual financial
5 report, ~~and~~ the certified enrollment as provided in section
6 257.6, and the revenues and expenditures of any nonprofit
7 school organization established pursuant to section 279.60.
8 Differences in certified enrollment shall be reported to the
9 department of management. The examination of a city that owns
10 or operates a municipal utility providing local exchange
11 services pursuant to chapter 476 shall include an audit of the
12 city's compliance with section 388.10. The examination of a
13 city that owns or operates a municipal utility providing
14 telecommunications services pursuant to section 388.10 shall
15 include an audit of the city's compliance with section 388.10.
16 Sec. 45. Section 256.9, Code 2005, is amended by adding
17 the following new subsection:
18 NEW SUBSECTION. 53. Prepare and submit to the
19 chairpersons and ranking members of the senate and house
20 education committees a report on the state's progress toward
21 closing the achievement gap, including student achievement for
22 minority subgroups, and a comprehensive summary of state
23 agency and local district activities and practices taken in
24 the past year to close the achievement gap.
25 Sec. 46. NEW SECTION. 279.60 NONPROFIT SCHOOL
26 ORGANIZATIONS.
27 The board of directors of a school district may take action
28 to adopt a resolution to establish, and authorize expenditures
29 for the operational support of, an entity or organization for
30 the sole benefit of the school district and its students that
31 is exempt from federal income taxation under section 501(c)(3)
32 of the Internal Revenue Code. The entity or organization
33 shall reimburse the school district for expenditures made by
34 the school district on behalf of the entity or organization.
35 Prior to establishing such an entity or organization, the

1 board of directors shall hold a public hearing on the proposal
2 to establish such an entity or organization. Such an entity
3 or organization shall maintain its records in accordance with
4 chapter 22, except that the entity or organization shall
5 provide for the anonymity of a donor at the written request of
6 the donor. The board of directors of a school district shall
7 annually report to the department of education and to the
8 local community the administrative expenditures, revenues, and
9 activities of the entity or organization established by the
10 school district pursuant to this section. The department
11 shall include in its annual condition of education report a
12 statewide summary of the expenditures and revenues submitted
13 in accordance with this section.
14 Sec. 47. Section 282.18, subsection 2, Code 2005, is
15 amended to read as follows:
16 2. By ~~January~~ March 1 of the preceding school year for
17 students entering grades one through twelve, or by September 1
18 of the current school year for students entering kindergarten,
19 the parent or guardian shall send notification to the district
20 of residence and the receiving district, on forms prescribed
21 by the department of education, that the parent or guardian
22 intends to enroll the parent's or guardian's child in a public
23 school in another school district. If a parent or guardian
24 fails to file a notification that the parent intends to enroll
25 the parent's or guardian's child in a public school in another
26 district by the deadline ~~of-January-1-of-the-previous-year~~
27 specified in this subsection, ~~and-one-of~~ the ~~criteria-defined~~
28 ~~in~~ procedures of subsection 4 ~~exists-for-the-failure-to-meet~~
29 ~~the-deadline-or-if-the-request-is-to-enroll-a-child-in~~
30 ~~kindergarten-in-a-public-school-in-another-district,-the~~
31 ~~parent-or-guardian-shall-be-permitted-to-enroll-the-child-in~~
32 ~~the-other-district-in-the-same-manner-as-if-the-deadline-had~~
33 ~~been-met~~ apply.
34 The board of the receiving district shall enroll the pupil
35 in a school in the receiving district for the following school

1 year unless the receiving district does not have classroom
2 space for the pupil. The board of directors of a receiving
3 district may adopt a policy granting the superintendent of the
4 school district authority to approve open enrollment
5 applications. If the request is granted, the board shall
6 transmit a copy of the form to the parent or guardian and the
7 school district of residence within five days after board
8 action, but not later than ~~March~~ June 1 of the preceding
9 school year. The parent or guardian may withdraw the request
10 at any time prior to the start of the school year. A denial
11 of a request by the board of a receiving district is not
12 subject to appeal.
13 Sec. 48. Section 282.18, subsection 4, paragraphs a and b,
14 Code 2005, are amended to read as follows:
15 a. After ~~January~~ March 1 of the preceding school year and
16 until the third Friday in September of that calendar year, the
17 parent or guardian shall send notification to the district of
18 residence and the receiving district, on forms prescribed by
19 the department of education, that good cause, as defined in
20 paragraph "b", exists for failure to meet the ~~January~~ March 1
21 deadline. The board of directors of a receiving school
22 district may adopt a policy granting the superintendent of the
23 school district authority to approve open enrollment
24 applications submitted after the March 1 deadline. The board
25 of the receiving district shall take action to approve the
26 request if good cause exists. If the request is granted, the
27 board shall transmit a copy of the form to the parent or
28 guardian and the school district of residence within five days
29 after board action. A denial of a request by the board of a
30 receiving district is not subject to appeal.
31 b. For purposes of this section, "good cause" means a
32 change in a child's residence due to a change in family
33 residence, a change in the state in which the family residence
34 is located, a change in a child's parents' marital status, a
35 guardianship or custody proceeding, placement in foster care,

1 adoption, participation in a foreign exchange program, or
2 participation in a substance abuse or mental health treatment
3 program, or a similar set of circumstances consistent with the
4 definition of "good cause"; or a change in the status of a
5 child's resident district such as removal of accreditation by
6 the state board, surrender of accreditation, or permanent
7 closure of a nonpublic school, revocation of a charter school
8 contract as provided in section 256F.8, the failure of
9 negotiations for a whole-grade sharing, reorganization,
10 dissolution agreement or the rejection of a current whole-
11 grade sharing agreement, or reorganization plan, or a similar
12 set of circumstances consistent with the definition of "good
13 cause". If the good cause relates to a change in status of a
14 child's school district of residence, however, action by a
15 parent or guardian must be taken to file the notification
16 within forty-five days of the last board action or within
17 thirty days of the certification of the election, whichever is
18 applicable to the circumstances.
19 Sec. 49. Section 282.18, subsections 5 and 6, Code 2005,
20 are amended to read as follows:
21 5. Open enrollment applications filed after ~~January~~ March
22 1 of the preceding school year that do not qualify for good
23 cause as provided in subsection 4 shall be subject to the
24 approval of the board of the resident district and the board
25 of the receiving district. The parent or guardian shall send
26 notification to the district of residence and the receiving
27 district that the parent or guardian seeks to enroll the
28 parent's or guardian's child in the receiving district. A
29 decision of either board to deny an application filed under
30 this subsection involving repeated acts of harassment of the
31 student or serious health condition of the student that the
32 resident district cannot adequately address is subject to
33 appeal under section 290.1. The state board shall exercise
34 broad discretion to achieve just and equitable results that
35 are in the best interest of the affected child or children.

1 6. A request under this section is for a period of not
2 less than one year. If the request is for more than one year
3 and the parent or guardian desires to have the pupil enroll in
4 a different district, the parent or guardian may petition the
5 current receiving district by ~~January~~ March 1 of the previous
6 school year for permission to enroll the pupil in a different
7 district for a period of not less than one year. Upon receipt
8 of such a request, the current receiving district board may
9 act on the request to transfer to the other school district at
10 the next regularly scheduled board meeting after the receipt
11 of the request. The new receiving district shall enroll the
12 pupil in a school in the district unless there is insufficient
13 classroom space in the district or unless enrollment of the
14 pupil would adversely affect the court-ordered or voluntary
15 desegregation plan of the district. A denial of a request to
16 change district enrollment within the approved period is not
17 subject to appeal. However, a pupil who has been in
18 attendance in another district under this section may return
19 to the district of residence and enroll at any time, once the
20 parent or guardian has notified the district of residence and
21 the receiving district in writing of the decision to enroll
22 the pupil in the district of residence.
23 Sec. 50. Section 423E.4, subsection 6, unnumbered
24 paragraph 1, Code 2005, is amended to read as follows:
25 A school district with a certified enrollment of fewer than
26 two hundred fifty pupils in the entire district or certified
27 enrollment of fewer than one hundred pupils in high school
28 shall not expend the supplemental school infrastructure amount
29 received for new construction or for payments for bonds issued
30 for new construction against the supplemental school
31 infrastructure amount without prior application to the
32 department of education and receipt of a certificate of need
33 pursuant to this subsection. However, a certificate of need
34 is not required for the payment of outstanding bonds issued
35 for new construction pursuant to section 296.1, before April

1 1, 2003. A certificate of need is also not required for
2 repairing schoolhouses or buildings, equipment, technology, or
3 transportation equipment for transporting students as provided
4 in section 298.3, or for construction necessary for compliance
5 with the federal Americans With Disabilities Act pursuant to
6 42 U.S.C. § 12101--12117. In determining whether a
7 certificate of need shall be issued or denied, the department
8 shall consider all of the following:
9 Sec. 51. RETROACTIVE APPLICABILITY FOR NONPROFIT SCHOOL
10 ORGANIZATIONS. The provisions of section 279.60, as enacted
11 by this division of this Act, authorizing the board of
12 directors of a school district to establish and authorize
13 expenditures for the operational support of an entity or
14 organization for the sole benefit of the school district and
15 its students, apply to entities or organizations established
16 by the board of directors of a school district before, on, or
17 after July 1, 2005.
18 DIVISION VII
19 LAND RECORD INFORMATION SYSTEM
20 Sec. 52. NEW SECTION. 12B.6 CERTAIN PUBLIC FUNDS OF
21 POLITICAL SUBDIVISIONS.
22 All funds received, expended, or held by an association of
23 elected county officers before, on, or after the effective
24 date of this Act, to implement a state-authorized program, are
25 subject to audit by the auditor of state at the request of the
26 government oversight committees or the legislative council.
27 All such funds received or held on and after July 1, 2005,
28 shall be deposited in a fund in the office of the treasurer of
29 state.
30 Sec. 53. Section 331.605C, subsection 4, Code 2005, is
31 amended to read as follows:
32 4. The local government electronic transaction fund is
33 established in the office of the treasurer of state under the
34 control of the treasurer of state. Moneys deposited into the
35 fund are not subject to section 8.33. Notwithstanding section

1 12C.7, interest or earnings on moneys in the local government
2 electronic transaction fund shall be credited to the fund.
3 Moneys in the local government electronic transaction fund are
4 not subject to transfer, appropriation, or reversion to any
5 other fund, or any other use except as provided in this
6 subsection. On a monthly basis, the county treasurer shall
7 pay each fee collected pursuant to subsection 2 to the
8 treasurer of state for deposit into the local government
9 electronic transaction fund. Moneys credited to the local
10 government electronic transaction fund are appropriated to the
11 treasurer of state to be used for the purpose of paying the
12 ongoing costs of integrating and maintaining the statewide
13 internet website developed and implemented under subsection 1.
14 Sec. 54. DEPARTMENT OF ADMINISTRATIVE SERVICES REVIEW.
15 1. The information technology enterprise in the department
16 of administrative services shall commence a review and
17 assessment of the implementation of the county land record
18 information system created pursuant to section 331.605C and a
19 data security audit. The review and assessment shall include
20 but not be limited to a review of the functional and system
21 requirements, design documentation, software code developed to
22 support the business requirements, operational procedures,
23 financial flows including a financial forecast, requests for
24 proposals, and all contracts. The data security audit shall
25 be completed separately, but in conjunction with the system
26 review and assessment.
27 2. The information technology enterprise shall be paid for
28 the costs of the assessment and audit based on the
29 enterprise's published rates. Payments shall be made from
30 funds collected pursuant to section 331.605C, subsection 2,
31 and deposited with the treasurer of state.
32 3. The information technology enterprise shall provide at
33 minimum two updates to the government oversight committees
34 regarding the progress of the review and assessment on or
35 before December 1, 2005. The government oversight committees

1 may request additional updates.
2 4. The information technology enterprise shall provide a
3 final report regarding the activities completed pursuant to
4 this section, including any recommendations, by no later than
5 December 30, 2005.
6 5. The department of administrative services shall
7 facilitate dialogue to integrate the county land record
8 information system created pursuant to section 331.605C with
9 electronic government internet applications of county
10 treasurers, county recorders, county auditors, and county
11 assessors. The department shall file an integration plan with
12 the general assembly on or before November 1, 2005. The plan
13 shall include integration concepts of the county treasurers,
14 county recorders, county auditors, and county assessors.
15 Sec. 55. COUNTY LAND RECORD INFORMATION SYSTEM --
16 ADDITIONAL PROVISIONS.
17 1. The board of supervisors of each county, on behalf of
18 each county recorder, shall execute a chapter 28E agreement
19 with the Iowa county recorders association for the
20 implementation of the county land record information system.
21 Such agreement shall require the Iowa county recorders
22 association to execute contracts necessary for implementation
23 of the county land record information system. The department
24 of administrative services shall prescribe a uniform chapter
25 28E agreement to be used by the counties, allowing for
26 variances as to each county. The Iowa county recorders
27 association shall submit to the general assembly on or before
28 November 1, 2005, a long-range business plan for implementing
29 and maintaining the county land record information system,
30 including a plan for integrating the system with electronic
31 government and internet applications of other governmental
32 entities.
33 2. The auditor of state shall conduct an audit of the fees
34 collected pursuant to section 331.605C for the purpose of
35 determining the amount of fees collected and the uses for

1 which such fees have been and are being expended. Audit
2 results shall be filed with the general assembly on or before
3 November 1, 2005. The cost of the audit, not to exceed five
4 thousand dollars, shall be paid from the local government
5 electronic transaction fund in the office of the treasurer of
6 state.
7 3. County recorders shall collect only statutorily
8 authorized fees for land records management. County recorders
9 shall not collect fees for viewing, accessing, or printing
10 electronic land management documents until authorized by the
11 general assembly.
12 4. The Iowa state association of counties shall provide
13 information to the government oversight committees and the
14 department of administrative services on or before July 1,
15 2005, defining all types of land management records,
16 identifying each county or state office that holds such
17 records, and specifying the fees associated with each of the
18 different types of records.
19 5. The fees collected, including those previously
20 collected and deposited locally, pursuant to section 331.605C,
21 shall be transferred to the treasurer of state for deposit
22 into the local government electronic transaction fund.
23 Sec. 56. EFFECTIVE DATE. This division of this Act, being
24 deemed of immediate importance, takes effect upon enactment.
25 DIVISION VIII
26 CORRECTIVE PROVISIONS
27 Sec. 57. Section 8A.502, subsection 5, paragraph c, Code
28 2005, is amended to read as follows:
29 c. The Iowa dairy industry commission as established in
30 chapter 179, the Iowa beef cattle producers association as
31 established in chapter 181, the Iowa pork producers council as
32 established in chapter 183A, the Iowa egg council as
33 established in chapter 184, the Iowa turkey marketing council
34 as established in chapter 184A, the Iowa soybean ~~promotion~~
35 ~~board~~ <u>association</u> as ~~established~~ <u>provided</u> in chapter 185, and

1 the Iowa corn promotion board as established in chapter 185C.
2 Sec. 58. Section 8A.502, subsection 10, Code 2005, is
3 amended to read as follows:
4 10. Entities representing agricultural producers. To
5 control the financial operations of the Iowa dairy industry
6 commission as provided in chapter 179, the Iowa beef cattle
7 producers association as provided in chapter 181, the Iowa
8 pork producers council as provided in chapter 183A, the Iowa
9 egg council as provided in chapter 184, the Iowa turkey
10 marketing council as provided in chapter 184A, the Iowa
11 soybean ~~promotion board~~ association as provided in chapter
12 185, and the Iowa corn promotion board as provided in chapter
13 185C.
14 Sec. 59. Section 10A.104, subsections 12 and 13, Code
15 2005, are amended by striking the subsections.
16 Sec. 60. Section 12D.9, subsection 2, Code 2005, is
17 amended to read as follows:
18 2. State income tax treatment of the Iowa educational
19 savings plan trust shall be as provided in section 422.7,
20 subsections 32~~,~~ and 33~~,-and-34,-and-section-422.35,-subsection~~
21 ~~1~~4.
22 Sec. 61. Section 15.104, subsection 4, unnumbered
23 paragraph 1, Code 2005, as amended by 2005 Iowa Acts, Senate
24 File 205, section 5, is amended to read as follows:
25 Review and approve or disapprove a life science enterprise
26 plan or amendments to that plan as provided in chapter 10C ~~as~~
27 ~~that-chapter-exists-on-or-before-June-30,-2005,~~ and according
28 to rules adopted by the board. A life science plan shall make
29 a reasonable effort to provide for participation by persons
30 who are individuals or family farm entities actively engaged
31 in farming as defined in section 10.1. The persons may
32 participate in the life science enterprise by holding an
33 equity position in the life science enterprise or providing
34 goods or service to the enterprise under contract. The plan
35 must be filed with the board not later than June 30, 2005.

1 The life science enterprise may file an amendment to a plan at
2 any time. A life science enterprise is not eligible to file a
3 plan, unless the life science enterprise files a notice with
4 the board. The notice shall be a simple statement indicating
5 that the life science enterprise may file a plan as provided
6 in this section. The notice must be filed with the board not
7 later than June 1, 2005. The notice, plan, or amendments
8 shall be submitted by a life science enterprise as provided by
9 the board. The board shall consult with the department of
10 agriculture and land stewardship during its review of a life
11 science plan or amendments to that plan. The plan shall
12 include information regarding the life science enterprise as
13 required by rules adopted by the board, including but not
14 limited to all of the following:
15 Sec. 62. Section 15H.3, subsection 5, if enacted by 2005
16 Iowa Acts, House File 478, section 3, is amended to read as
17 follows:
18 5. Members shall serve staggered terms of three years
19 beginning ~~and ending as provided by section 69.19~~ July 1.
20 Members of the commission shall serve no more than two three-
21 year terms. Any vacancy shall be filled in the same manner as
22 the original appointment.
23 Sec. 63. Section 97.51, subsections 4 and 6, Code 2005,
24 are amended to read as follows:
25 4. Any public employee subject to coverage under the
26 provisions of chapter 97, Code 1950, as amended, in public
27 service as of June 30, 1953, and who has not applied for and
28 qualified for benefit payments under the provisions of chapter
29 97, Code 1950, as amended, who had contributed to the Iowa
30 old-age and survivors' insurance fund prior to the repeal of
31 ~~said~~ chapter 97, Code 1950, as amended, shall be entitled to a
32 refund of contributions paid into the Iowa old-age and
33 survivors' insurance fund by such employee without interest,
34 but there shall be deducted from the amount of any such refund
35 any amount which has been or will be paid in the employee's

1 behalf as the employee's contribution as an employee to obtain
2 retroactive federal social security coverage. Any former
3 public employee not in public service as of June 30, 1953, who
4 has contributed to the Iowa old-age and survivors' insurance
5 fund, the employee's beneficiaries or estate, when no benefit
6 has been paid under chapter 97, Code 1950, based upon such
7 employee's prior record, shall be entitled to a refund of
8 seventy-five percent of all contributions paid by the employee
9 into said fund, without interest. The department shall
10 prescribe rules in regard to the granting of such refunds. In
11 the event of such refund any individual receiving the same
12 shall be deemed to have waived any and all rights in behalf of
13 the individual or any beneficiary or the individual's estate
14 to further benefits under the provisions of chapter 97, Code
15 1950, as amended.
16 6. In the payment of any benefits in the future, as a
17 result of the provisions of chapter 97, Code 1950, as amended,
18 the department shall follow the same procedure as provided by
19 ~~said~~ chapter 97, Code 1950, as amended, as though said chapter
20 had not been repealed, except the requirements of ~~section~~
21 ~~97.21,~~ subsection 4, paragraph "a", and subsection 5 of
22 section 97.21, ~~subsection 5~~ Code 1950, shall not be
23 applicable, but no primary benefit, based upon employment
24 prior to June 30, 1953, shall be paid to any individual for
25 any month during which the individual receives compensation
26 for work in any position which would have been subject to
27 coverage under the provisions of ~~said~~ chapter 97, Code 1950,
28 as amended, if the individual's earnings for such month exceed
29 one hundred dollars, nor shall any benefit be paid to a wife
30 or dependent of such employee for such months, except that
31 after a retired member reaches the age of seventy-two years,
32 the member, the member's wife and dependents shall be entitled
33 to the benefits of this chapter regardless of the amount
34 earned.
35 Sec. 64. Section 97B.1A, subsection 8, paragraph b,

1 subparagraph (5), Code 2005, is amended to read as follows:
2 (5) Employees of the Iowa dairy industry commission
3 established under chapter 179, the Iowa beef cattle producers
4 association established under chapter 181, the Iowa pork
5 producers council established under chapter 183A, the Iowa
6 turkey marketing council established under chapter 184A, the
7 Iowa soybean ~~promotion board established under~~ association as
8 provided in chapter 185, the Iowa corn promotion board
9 established under chapter 185C, and the Iowa egg council
10 established under chapter 184.
11 Sec. 65. Section 99D.13, subsection 2, Code 2005, is
12 amended to read as follows:
13 2. Winnings from each racetrack forfeited under subsection
14 1 shall escheat to the state and to the extent appropriated by
15 the general assembly shall be used by the department of
16 agriculture and land stewardship to administer section 99D.22.
17 The remainder shall be paid over to the commission to pay all
18 or part of the cost of drug testing at the tracks. To the
19 extent the remainder paid over to the commission, less the
20 cost of drug testing, is from unclaimed winnings from harness
21 ~~racing meets~~ race meetings, the remainder shall be used as
22 provided in subsection 3. To the extent the remainder paid to
23 the commission, less the cost of drug testing, is from
24 unclaimed winnings from licensed dog tracks, the commission
25 shall remit annually five thousand dollars, or an equal
26 portion of that amount, to each licensed dog track to carry
27 out the racing dog adoption program pursuant to section
28 99D.27. To the extent the remainder paid over to the
29 commission, less the cost of drug testing, is from unclaimed
30 winnings from tracks licensed for dog or horse races, the
31 commission, on an annual basis, shall remit one-third of the
32 amount to the treasurer of the city in which the racetrack is
33 located, one-third of the amount to the treasurer of the
34 county in which the racetrack is located, and one-third of the
35 amount to the racetrack from which it was forfeited. If the

1 racetrack is not located in a city, then one-third shall be
2 deposited as provided in chapter 556. The amount received by
3 the racetrack under this subsection shall be used only for
4 retiring the debt of the racetrack facilities and for capital
5 improvements to the racetrack facilities.
6 Sec. 66. Section 99D.13, subsection 3, unnumbered
7 paragraph 1, Code 2005, is amended to read as follows:
8 One hundred twenty thousand dollars of winnings from wagers
9 placed at harness ~~racing meets~~ race meetings forfeited under
10 subsection 1 in a calendar year that escheat to the state and
11 are paid over to the commission are appropriated to the racing
12 commission for the fiscal year beginning in that calendar year
13 to be used as follows:
14 Sec. 67. Section 126.23A, subsection 1, paragraph a,
15 subparagraph (1), as enacted by 2005 Iowa Acts, Senate File
16 169, section 3, is amended to read as follows:
17 (1) Sell a product ~~that contains more than three hundred~~
18 ~~sixty milligrams of pseudoephedrine~~ in violation of section
19 124.212, subsection 4.
20 Sec. 68. Section 126.23A, subsection 1, paragraph b,
21 subparagraph (3), as enacted by 2005 Iowa Acts, Senate File
22 169, section 3, is amended to read as follows:
23 (3) Require the purchaser to ~~legibly~~ sign a logbook and to
24 also require the purchaser to legibly print the purchaser's
25 name and address in the logbook.
26 Sec. 69. Section 126.23A, subsection 3, as enacted by 2005
27 Iowa Acts, Senate File 169, section 3, is amended to read as
28 follows:
29 3. A purchaser shall ~~legibly~~ sign the logbook and also
30 legibly print the purchaser's name and address in the logbook.
31 Sec. 70. Section 135.43, subsection 3, paragraph g, as
32 enacted in 2005 Iowa Acts, House File 190, section 2, is
33 amended to read as follows:
34 g. In order to assist ~~another~~ a division of the department
35 in performing the division's duties, if the division does not

1 otherwise have access to the information, share information
2 possessed by the review team. The division receiving the
3 information shall maintain the confidentiality of the
4 information in accordance with this section. Unauthorized
5 release or disclosure of the information received is subject
6 to penalty as provided in this section.
7 Sec. 71. Section 147.105, subsection 2, as enacted by 2005
8 Iowa Acts, House File 418, section 1, is amended to read as
9 follows:
10 2. Except as provided under subsections 5 and 6, a
11 clinical laboratory or a physician providing anatomic
12 pathology services to patients in this state shall not,
13 directly or indirectly, charge, bill, or otherwise solicit
14 payment for such services unless the services were personally
15 rendered by ~~a~~ the clinical laboratory or the physician or
16 under the direct supervision of ~~a~~ the clinical laboratory or
17 the physician in accordance with section 353 of the federal
18 Public Health Service Act, 42 U.S.C. § 263a.
19 Sec. 72. Section 231C.2, subsection 9, as amended by 2005
20 Iowa Acts, House File 585, section 3, is amended to read as
21 follows:
22 9. "Personal care" means assistance with the essential
23 activities of daily living~~,~~ which may include but are not
24 limited to transferring, bathing, personal hygiene, dressing,
25 grooming, and housekeeping~~,~~ that are essential to the health
26 and welfare of the tenant.
27 Sec. 73. Section 249.1, subsection 4, Code 2005, is
28 amended to read as follows:
29 4. "Previous categorical assistance programs" means the
30 aid to the blind program authorized by chapter 241, the aid to
31 the disabled program authorized by chapter 241A and the old-
32 age assistance program authorized by chapter 249 ~~of the~~, Code
33 ~~of~~ 1973.
34 Sec. 74. Section 249.10, Code 2005, is amended to read as
35 follows:

1 249.10 PRIOR LIENS, CLAIMS AND ASSIGNMENTS.
2 Any lien or claim against the estate of a decedent existing
3 on January 1, 1974, which lien was perfected or which claim
4 was filed under the provisions of section 249.19, 249.20, or
5 249.21 ~~as they appeared in the~~, Code ~~of~~ 1973, and prior Codes,
6 and which liens or claims have not been satisfied, are void.
7 Any assignment of personal property which was made under the
8 provisions of chapter 249 ~~as it appeared in the~~, Code ~~of~~ 1973,
9 and prior Codes, is void. The director may in furtherance of
10 this section release any lien or claim created or existing
11 under that chapter. Each release made pursuant to this
12 section shall be executed and acknowledged by the director or
13 the director's authorized designee, and when recorded shall be
14 conclusive in favor of any third person dealing with or
15 concerning the property affected by the release in reliance
16 upon such record.
17 Sec. 75. Section 257.28, Code 2005, is amended to read as
18 follows:
19 257.28 ENRICHMENT LEVY.
20 If a school district has approved the use of the
21 instructional support program for a budget year, the district
22 shall not also collect moneys under the additional enrichment
23 amount approved by the voters under chapter 442, ~~as it~~
24 ~~appeared in~~ Code 1991, for the budget year.
25 Sec. 76. Section 307.12, subsection 5, Code 2005, is
26 amended to read as follows:
27 5. Prepare a budget for the department~~, subject to the~~
28 ~~approval of the commission,~~ and prepare reports required by
29 law.
30 Sec. 77. Section 321.43, Code 2005, is amended to read as
31 follows:
32 321.43 NEW IDENTIFYING NUMBERS.
33 The department may assign a distinguishing number to a
34 vehicle when the ~~serial~~ vehicle identification number on the
35 vehicle is destroyed or obliterated and issue to the owner a

1 special plate bearing the distinguishing number which shall be
2 affixed to the vehicle in a position to be determined by the
3 director. The vehicle shall be registered and titled under
4 the distinguishing number in lieu of the former ~~serial~~ vehicle
5 identification number.
6 Sec. 78. Section 321.65, Code 2005, is amended to read as
7 follows:
8 321.65 GARAGE RECORD.
9 Every person or corporation operating a public garage shall
10 keep for public inspection a record of the registration number
11 and engine ~~or factory~~ serial number or manufacturer's vehicle
12 identification number of every motor vehicle offered for sale
13 or taken in for repairs in said garage.
14 Sec. 79. Section 321.90, subsection 2, paragraph b, Code
15 2005, is amended to read as follows:
16 b. The application shall set out the name and address of
17 the applicant, and the year, make, model, and ~~serial~~ vehicle
18 identification number of the motor vehicle, if ascertainable,
19 together with any other identifying features, and shall
20 contain a concise statement of the facts surrounding the
21 abandonment, or a statement that the title of the motor
22 vehicle is lost or destroyed, or the reasons for the defect of
23 title in the owner. The applicant shall execute an affidavit
24 stating that the facts alleged are true and that no material
25 fact has been withheld. An order for disposal obtained
26 pursuant to section 555B.8, subsection 3, satisfies the
27 application requirements of this paragraph.
28 Sec. 80. Section 327B.1, subsection 6, as enacted by 2005
29 Iowa Acts, House File 591, section 10, is amended to read as
30 follows:
31 6. A motor carrier ~~owner or driver~~ shall ~~carry~~ keep proper
32 evidence of interstate authority in the motor ~~carrier~~ vehicle
33 being operated by the motor carrier and the motor carrier
34 owner or driver shall make such evidence available to a peace
35 officer upon request.

1 Sec. 81. Section 331.606, subsection 3, Code 2005, is
2 amended to read as follows:
3 3. The county recorder may give the county sheriff the
4 records filed under this chapter or chapter 695 ~~of prior~~
5 ~~Codes~~, Code 1977, pertaining to the sale and registration of
6 weapons or may dispose of those records if the sheriff does
7 not wish to receive the records.
8 Sec. 82. Section 602.1304, subsection 2, paragraph b, Code
9 2005, as amended by 2005 Acts, House File 826, section 3, is
10 amended to read as follows:
11 b. For each fiscal year, a judicial collection estimate
12 for that fiscal year shall be equally and proportionally
13 divided into a quarterly amount. The judicial collection
14 estimate shall be calculated by using the state revenue
15 estimating conference estimate made by December 15 pursuant to
16 section 8.22A, subsection 3, of the total amount of fines,
17 fees, civil penalties, costs, surcharges, and other revenues
18 collected by judicial officers and court employees for deposit
19 into the general fund of the state. The revenue estimating
20 conference estimate shall be reduced by the maximum amounts
21 allocated to the Iowa prison infrastructure fund pursuant to
22 section 602.8108A, the court technology and modernization fund
23 pursuant to section 602.8108, subsection 7, the judicial
24 branch pursuant to section 602.8108, subsection 7A, and the
25 road use tax fund pursuant to section 602.8108, subsection 8,
26 ~~and amounts allocated to the department of public safety's~~
27 ~~vehicle depreciation account pursuant to section 602.8108,~~
28 ~~subsection 9,~~ and the remainder shall be the judicial
29 collection estimate. In each quarter of a fiscal year, after
30 revenues collected by judicial officers and court employees
31 equal to that quarterly amount are deposited into the general
32 fund of the state, after the required amount is deposited
33 during the quarter into the Iowa prison infrastructure fund
34 pursuant to section 602.8108A and into the court technology
35 and modernization fund pursuant to section 602.8108,

1 subsection 7, and after the required amount is allocated to
2 the judicial branch pursuant to section 602.8108, subsection
3 7A, ~~and to the department of public safety's vehicle~~
4 ~~depreciation account pursuant to section 602.8108, subsection~~
5 ~~9,~~ the director of the department of administrative services
6 shall deposit the remaining revenues for that quarter into the
7 enhanced court collections fund in lieu of the general fund.
8 However, after total deposits into the collections fund for
9 the fiscal year are equal to the maximum deposit amount
10 established for the collections fund, remaining revenues for
11 that fiscal year shall be deposited into the general fund. If
12 the revenue estimating conference agrees to a different
13 estimate at a later meeting which projects a lesser amount of
14 revenue than the initial estimate amount used to calculate the
15 judicial collection estimate, the director of the department
16 of administrative services shall recalculate the judicial
17 collection estimate accordingly. If the revenue estimating
18 conference agrees to a different estimate at a later meeting
19 which projects a greater amount of revenue than the initial
20 estimate amount used to calculate the judicial collection
21 estimate, the director of the department of administrative
22 services shall recalculate the judicial collection estimate
23 accordingly but only to the extent that the greater amount is
24 due to an increase in the fines, fees, civil penalties, costs,
25 surcharges, or other revenues allowed by law to be collected
26 by judicial officers and court employees.
27 Sec. 83. Section 602.8108, subsection 2, Code 2005, as
28 amended by 2005 Acts, House File 826, section 5, is amended to
29 read as follows:
30 2. Except as otherwise provided, the clerk of the district
31 court shall report and submit to the state court
32 administrator, not later than the fifteenth day of each month,
33 the fines and fees received during the preceding calendar
34 month. Except as provided in subsections 3, 4, 5, 7, 7A, <u>and</u>
35 8, ~~and 9,~~ the state court administrator shall deposit the

1 amounts received with the treasurer of state for deposit in
2 the general fund of the state. The state court administrator
3 shall report to the legislative services agency within thirty
4 days of the beginning of each fiscal quarter the amount
5 received during the previous quarter in the account
6 established under this section.
7 Sec. 84. Section 633.10, subsection 5, Code 2005, is
8 amended to read as follows:
9 5. ACTIONS FOR ACCOUNTING.
10 An action for an accounting against a beneficiary of a
11 transfer on death security registration, pursuant to ~~this~~
12 chapter 633D.
13 Sec. 85. CONTINGENT EFFECTIVE DATE. The section of this
14 division of this Act amending section 10A.104 is contingent
15 upon the enactment of 2005 Iowa Acts, House File 770.
16 EXPLANATION
17 This bill makes, reduces, and transfers appropriations,
18 provides for fees, and covers other properly related matters.
19 The bill is organized into divisions.
20 MH/MR/DD ALLOWED GROWTH FUNDING. This division
21 appropriates funding for FY 2006-2007 for distribution to
22 counties for allowed growth in mental health, mental
23 retardation, and developmental disabilities services
24 expenditures.
25 STANDING APPROPRIATIONS. This division limits the standing
26 unlimited appropriations for FY 2005-2006 made for the
27 following purposes: instructional support state aid, at-risk
28 children programs, payment of nonpublic school transportation,
29 the educational excellence program to improve teacher
30 salaries, state share of peace officers' retirement benefits,
31 and payment of livestock production tax credit refunds.
32 In addition, for FY 2005-2006, the following property tax
33 credits are funded from the property tax credit fund created
34 in the division instead of the general fund of the state:
35 homestead, agricultural land and family farm, military

1 service, and elderly and disabled tax credit and
2 reimbursement.
3 Code section 257.35, relating to state aid to schools
4 provided for area education agencies, is amended to continue a
5 reduction in that funding of $11,798,703.
6 The appropriation under Code section 8.57(1) of up to 1
7 percent of the adjusted revenue estimate for FY 2005-2006 from
8 the state general fund to the cash reserve fund shall not be
9 made for FY 2005-2006.
10 OTHER APPROPRIATIONS. This division provides for,
11 increases, or decreases appropriations made in the Code or
12 during the 2005 Legislative Session.
13 An appropriation of $100,000 is made to the department of
14 human services to provide grants during FY 2005-2006 to
15 families with children that have phenylketonuria.
16 Appropriations made to the department of economic
17 development in 2005 Iowa Acts, House File 809, if enacted, are
18 amended to reduce the appropriation for general administration
19 and to increase the allocation for the world food prize by the
20 same amount.
21 Appropriations and full-time equivalent employee
22 authorizations made in 2005 Iowa Acts, House File 810, for the
23 banking and professional licensing and regulation divisions of
24 the department of commerce, are increased, contingent upon the
25 passage of two other bills.
26 The amount appropriated from the senior living trust fund
27 to supplement the appropriation for the medical assistance
28 (Medicaid) program for FY 2005-2006 in House File 825, if
29 enacted, is increased by approximately $3 million. The
30 language providing for the inflation adjustment in nursing
31 facility reimbursement is revised.
32 2001 Iowa Acts, chapter 174, section 1, subsection 2, which
33 appropriates moneys from the state general fund to Iowa's
34 health account of the tobacco settlement trust, is amended to
35 repeal the $29.562 million appropriation for FY 2005-2006.

1 Code section 8.55, relating to the Iowa economic emergency
2 fund, is amended to strike requirements for a portion of the
3 moneys in excess of the fund's maximum balance to be
4 transferred to the endowment for Iowa's health account of the
5 tobacco settlement trust fund.
6 Code section 256D.5 is amended to extend the $29.25 million
7 appropriation for the early intervention block grant program
8 through FY 2005-2006.
9 Code section 292.4, providing an annual standing limited
10 contingent appropriation to the secure an advanced vision for
11 education fund through FY 2013-2014, is repealed. The
12 appropriation is contingent upon the amount of sales and use
13 tax receipts credited to the general fund of the state during
14 a fiscal year exceeding by 2 percent or more the total sales
15 and use tax receipts credited to the general fund of the state
16 during the previous fiscal year. The repeal is effective upon
17 enactment and retroactively applicable to July 1, 2004.
18 MISCELLANEOUS STATUTORY CHANGES. This division provides
19 miscellaneous statutory changes.
20 Code sections 12B.10, 12C.22, and 12C.23A, relating to the
21 investment of public funds by the treasurer of state, state
22 agencies, and public subdivisions, are amended by permitting
23 public funds that are deposited in a depository and are not
24 covered by federal deposit insurance to be invested in
25 certificates of deposit issued by one or more federally
26 insured banks or savings associations, whether or not located
27 in this state. The amendments require that the principal and
28 accrued interest of each such certificate of deposit be
29 covered by federal deposit insurance and that the depository
30 act as custodian of the certificates of deposit; that on the
31 day the certificates of deposit are issued to the public funds
32 depositor, the depository must receive in deposits amounts
33 eligible for federal deposit insurance from, and must issue
34 certificates of deposit to, customers of other financial
35 institutions, that are equal to or greater than the amount of

1 public funds initially deposited by the public funds depositor
2 at the depository; and that certificates of deposit for public
3 funds issued by financial institutions other than the
4 depository, or one or more orders for the next business day
5 settlement and issuance of such certificates of deposit that
6 cover the uninsured portion of the public funds initially
7 deposited by the public funds depositor, shall not be
8 considered public funds deposits in the depository for
9 purposes of calculating the amount of collateral the
10 depository is required to pledge under Code section 12C.22.
11 The amendments further provide that when calculating
12 uninsured public funds to determine the amount of an
13 assessment pursuant to Code section 12C.23A, a bank shall
14 include all deposits from customers of other financial
15 institutions as authorized under Code section 12B.10, new
16 subsection 7.
17 Code section 99F.6, subsection 4, concerning the definition
18 of "net receipts" for purposes of determining purses for horse
19 racing, is amended. The change provides that "net receipts"
20 means the annual adjusted gross receipts from gambling games
21 less the annual amount of money pledged for bonded
22 indebtedness for a vision Iowa project. Current law does not
23 provide that the annual amount pledged for the vision Iowa
24 project is limited to the amount for bonded indebtedness.
25 Code section 124.212, as amended by 2005 Iowa Acts, Senate
26 File 169, relating to the regulation of precursors to
27 amphetamine and methamphetamine, is amended to require a
28 purchaser of a schedule V controlled substance containing
29 pseudoephedrine from a pharmacy to present a government-issued
30 photo identification card at the time of purchase. Senate
31 File 169 contains a similar identification card requirement
32 for over-the-counter sales of pseudoephedrine products of 360
33 milligrams or less in liquid, liquid capsule, or liquid-filled
34 gel capsule form from a nonpharmacy retailer.
35 Code section 142A.4, relating to the duties of the

1 commission on tobacco use prevention and control, is amended
2 to require the commission to approve the contents of any
3 materials distributed by the youth program component of the
4 tobacco use prevention and control initiative. The contents
5 must be approved prior to distribution.
6 Code section 257.14 is amended to strike a provision which
7 permits a school district to qualify for a certain budget
8 guarantee phaseout only if the school district elected to
9 receive a 90 percent budget guarantee adjustment for the
10 school budget year beginning July 1, 2004. Striking the
11 provision allows a school district to elect the budget
12 guarantee adjustment and phaseout for a later school budget
13 year or years.
14 Code section 403A.10, relating to tax exemptions and
15 payments in lieu of taxes for municipal housing projects,
16 provides that municipal housing project property located in a
17 city of at least 110,000 residents with a public housing
18 authority that does not own or manage housing stock for the
19 purpose of low-rent housing is also deemed to be public
20 property and subject to the same tax exemptions as other
21 municipal housing project property under Code chapter 403A.
22 Code section 423E.5 is amended to permit the private sale
23 of bonds in anticipation of revenues from the sales and
24 services tax for school infrastructure purposes similar to
25 that available for the regular city and county sales and
26 services tax revenue bonds.
27 Code section 456A.37 is amended to provide that the natural
28 resource commission shall define additional species as
29 "aquatic invasive species" by rule without subsequent approval
30 by the general assembly.
31 Code section 543B.34, subsection 9, is amended by deleting
32 from a list of practices which can subject a real estate
33 broker or salesperson to an investigation by the real estate
34 commission, possible sanctions, and penalties for the paying
35 of a commission or other valuable consideration for performing

1 any acts specified in Code chapter 543B to a licensee, knowing
2 that the licensee will pay a portion of or all of such
3 commission or consideration to a person or party who is not
4 licensed pursuant to the chapter.
5 Code section 543B.60A, currently entitled "restrictions on
6 payment of commission to others", is changed to "prohibited
7 practices". The new Code section 543B.60A deletes previous
8 restrictions that provided that a licensee shall not require
9 that a person, party, client, or customer negotiate a listing
10 or purchase agreement or contract of real estate through a
11 particular broker or group of brokers, salesperson or group of
12 salespersons, or agent or group of agents, and that a licensee
13 shall not pay a commission, or portion of a commission, or
14 other valuable consideration to such individuals. The new
15 provision also deletes a provision that violations of the
16 section could result in an investigation by the real estate
17 commission, or license revocation or suspension pursuant to
18 Code section 543B.34, if the individual was found guilty
19 pursuant to subsection 4 of that section, relating to acting
20 for more than one party in a transaction without the knowledge
21 of all parties for whom the licensee acts. The new provision
22 provides instead that violations will be subject to the more
23 general revocation or suspension provisions of Code section
24 543B.29.
25 The new Code section retains restrictions against licensee
26 requests for a referral fee after a bona fide offer to
27 purchase is accepted, and against licensee requests for a
28 referral fee after a bona fide listing agreement has been
29 signed. Additionally, the new Code section adds new
30 prohibited practices relating to licensees not offering,
31 promoting, performing, providing, or otherwise participating
32 in a marketing plan requiring a consumer to receive brokerage
33 services, including referral services, from two or more
34 licensees in a single real estate transaction, as a required
35 condition for the consumer to receive brokerage services or a

1 rebate, prize, or other inducement. The new Code section
2 provides that a "consumer" includes parties or prospective
3 parties to a real estate transaction, clients or prospective
4 clients of a licensee, or customers or prospective customers
5 of a licensee, and that the section does not address
6 relationships between a broker and the broker associates or
7 salepersons licensed under, employed by, or otherwise
8 associated with the broker in a real estate brokerage agency.
9 The new Code section provides that the purpose of the section
10 is to prohibit licensee practices that interfere with
11 contractual arrangements, place improper restrictions on
12 consumer choice, compromise a licensee's fiduciary
13 obligations, and create conflicts of interest.
14 Code sections 579A.2 and 579B.4, relating to agricultural
15 production liens, are amended to remove an exemption from the
16 applicability of Code section 554.9515. Code section 554.9515
17 is part of the uniform commercial code and provides for the
18 duration and effectiveness of a financing statement for a lien
19 and the effect of an elapsed financing statement.
20 JUSTICE SYSTEM AND JUDICIAL BRANCH. This division makes
21 and increases appropriations for the justice system and the
22 judicial branch and contains related provisions.
23 The division urges the supreme court to develop and
24 prescribe a rule which recognizes the tribal court system and
25 enforces tribal court orders, judgments, and decrees.
26 New Code section 80.43 makes annual standing limited
27 appropriations from the general fund of the state to the
28 account maintained in the depreciation fund for vehicles used
29 by the Iowa state patrol for the period beginning July 1,
30 2005, and ending June 30, 2009. The appropriations are to be
31 used as directed by the department of public safety for
32 purchase of Iowa state patrol vehicles. Interest or earnings
33 on the moneys appropriated are to be credited to the account
34 and the moneys do not revert at the close of a fiscal year.
35 Code section 602.6401 is amended to increase the authorized

1 number of magistrates from 191 to 206.
2 New Code section 602.8102A provides that if the clerk of
3 court sends a mailing or notice and the mailing or notice is
4 returned by the postal service, the clerk of court is not
5 required to send a repeat or subsequent notice unless the
6 clerk receives an updated mailing address.
7 The amendment to Code section 602.8105 relates to the
8 collection of fees by the clerk of the district court. The
9 bill establishes a $25 fee for filing a praecipe to issue
10 execution under Code chapter 626 (enforcement of a judgment);
11 a $50 fee for filing a praecipe to issue execution under Code
12 chapter 654 (foreclosure of real estate mortgages); and a $50
13 fee for filing a confession of judgment if the judgment is
14 $5,000 or less and a $100 fee if the amount of the judgment
15 exceeds $5,000 under Code chapter 676 (judgment by
16 confession). A "praecipe" is an order commanding the debtor
17 to do the thing required by the order. A "judgment by
18 confession" is an act by the debtor permitting a judgment to
19 be entered against the debtor.
20 Code section 901.4, relating to presentence investigation
21 reports, is amended to require the court to send the report to
22 the attorneys by ordinary or electronic mail in lieu of
23 serving the report.
24 The appropriation made to the judicial branch in 2005 Iowa
25 Acts, House File 807, if enacted, is increased.
26 The appropriation made to the department of justice for
27 legal services for persons in poverty grants in 2005 Iowa
28 Acts, House File 811, if enacted, is increased from a zero
29 amount.
30 The appropriation made to the department of public safety
31 for the criminalistics laboratory fund in 2005 Iowa Acts,
32 House File 811, if enacted, is increased from a zero amount.
33 EDUCATION. This division amends numerous Code provisions
34 relating to the duties and responsibilities of school
35 districts, area education agencies, and the department of

1 education by expanding school district audit requirements;
2 requiring the department to submit an achievement gap report;
3 allowing school districts to establish nonprofit entities or
4 organizations; providing for changes to open enrollment
5 requirements, deadlines, and authorizations; and revising
6 requirements for prior authorization and a certificate of need
7 for local option sales and services tax for school
8 infrastructure fund purposes, and including a retroactive
9 applicability provision.
10 The division requires that an examination of school offices
11 shall include the revenues and expenditures of any organized
12 nonprofit school organization that exists for the sole benefit
13 of the school district.
14 The department is directed to prepare and submit to the
15 chairpersons and ranking members of the senate and house
16 education committees a report on the state's progress toward
17 closing the achievement gap.
18 The division allows school boards to establish a nonprofit
19 entity or organization for the sole benefit of the school
20 district after holding a public hearing on the proposal. Such
21 an entity or organization shall be considered a government
22 body and its records public records subject to Code chapter
23 22. The entity or organization must reimburse the school
24 district for expenditures made by the district on its behalf.
25 The school district must annually report to the department of
26 education and the local community the administrative
27 expenditures, revenues, and activities of the entity or
28 organization. The department must include the revenues in its
29 annual condition of education report. This provision applies
30 to entities or organizations established before, on, or after
31 July 1, 2005.
32 The division moves the application deadline for open
33 enrollment from January 1 to March 1 of the preceding school
34 year for students entering grades 1 through 12, and to
35 September 1 of the current school year for students entering

1 kindergarten. The division expands the exception that allows
2 parents to miss the deadline, by allowing "good cause" to
3 include a similar set of circumstances consistent with the
4 definition of "good cause". The division allows the board of
5 directors of a receiving district to grant a superintendent
6 the authority to approve applications.
7 Revenues collected under the local sales and services tax
8 for school infrastructure are deposited in the secure an
9 advanced vision for education fund for school infrastructure
10 purposes or property tax relief. The Code requires that a
11 school district receive prior authorization and a certificate
12 of need from the department of education before expending the
13 supplemental school infrastructure amount received from the
14 secure an advanced vision for education fund for new
15 construction or for payments for bonds issued for new
16 construction against the amount. Under the division, only a
17 school district with a certified enrollment of fewer than 250
18 pupils in the entire school district, or fewer than 100 high
19 school pupils, need meet these requirements.
20 LAND RECORD INFORMATION SYSTEM. This division relates to
21 elected county officers' associations and the county land
22 record information system (CLRIS) project.
23 The division requires that funds held by an association of
24 elected county officers to implement a state-authorized
25 program are subject to audit and such funds received or held
26 on July 1, 2005, shall be deposited with the treasurer of
27 state.
28 The division requires that the department of administrative
29 services facilitate dialogue to integrate the CLRIS project
30 with electronic government internet applications of county
31 treasurers, county recorders, county auditors, and county
32 assessors. The department shall file an integration plan with
33 the general assembly on or before November 1, 2005. The plan
34 shall include integration concepts of the county treasurers,
35 county recorders, county auditors, and county assessors.

1 The division also requires that the board of supervisors of
2 each county, on behalf of each county recorder, execute a Code
3 chapter 28E agreement with the Iowa county recorders
4 association for the implementation of CLRIS. Such agreement
5 shall require the Iowa county recorders association to execute
6 contracts necessary for implementation of CLRIS. The
7 association is required to file a long-range business plan
8 with the general assembly by November 1, 2005.
9 The division requires that the auditor of state conduct an
10 audit of the fees collected and expended for the CLRIS
11 project. The results of the audit shall be filed with the
12 general assembly by November 1, 2005.
13 The cost of the audit, not to exceed $5,000, shall be paid
14 from the local government electronic transaction fund. The
15 county recorders shall collect only statutorily authorized
16 fees for land records management. The division prohibits
17 county recorders from collecting other electronic land
18 management fees until authorized by the general assembly.
19 The division provides that the $1 fee collected pursuant to
20 Code section 331.605C, subsection 2, is for the purpose of
21 paying the ongoing costs of integrating and maintaining CLRIS.
22 The division requires the Iowa state association of
23 counties to provide information on land management records to
24 the government oversight committees and the department of
25 administrative services on or before July 1, 2005.
26 The division requires that the information technology
27 enterprise in the department of administrative services
28 commence a review and an assessment of the implementation of
29 CLRIS and a data security audit. The enterprise shall be paid
30 for the costs of the assessment and audit. On or before
31 December 1, 2005, the enterprise shall provide updates on the
32 assessment and audit to the government oversight committees.
33 The enterprise shall provide a final report by December 30,
34 2005.
35 The division takes effect upon enactment.

1 CORRECTIVE PROVISIONS. This division contains corrective
2 provisions of a nonsubstantive nature relating to legislation
3 enacted during the 2005 Legislative Session.
4 2005 Iowa Acts, House File 700, changed the name of the
5 Iowa soybean promotion board to the Iowa soybean association.
6 This division makes conforming changes in several Code
7 provisions.
8 The division also amends Code section 15.104, amended in
9 2005 Iowa Acts, Senate File 205, referring to Code chapter
10 10C, relating to life science enterprises. The division
11 strikes language to conform with similar stricken language in
12 other provisions in Senate File 205.
13 Section 10A.104 is amended to strike two subsections
14 providing for the regulation of hotels, food establishments,
15 food processing plants, home food establishments, and egg
16 handlers by the department of inspections and appeals.
17 Regulation of those entities was transferred to the Iowa
18 department of public health in 2005 Iowa Acts, House File 770.
19 Code section 12D.9 is amended to delete references to Code
20 section 422.7, subsection 34, and Code section 422.35,
21 subsection 14, which were stricken in the substantive Code
22 editor's bill in 2005 Iowa Acts, House File 227. Those
23 subsections had referred to contributions to the endowment
24 fund. That fund was eliminated from the Iowa educational
25 savings plan trust program by 2004 Iowa Acts, chapter 1079.
26 Code section 15H.3, newly enacted by 2005 Iowa Acts, House
27 File 478, is amended by correcting the beginning date of the
28 terms of members of the Iowa commission on volunteer service.
29 The terms should begin July 1, continuing current practice,
30 rather than May 1.
31 Code sections 97.51, 249.1, 249.10, 257.28, and 331.606 are
32 amended to correctly refer to certain historical editions of
33 the Code of Iowa in a manner that the general assembly's
34 computer programs can accurately read and process. Similar
35 corrections to historical editions of the Code of Iowa were

1 made in the nonsubstantive Code editor's bill in 2005 Iowa
2 Acts, Senate File 113.
3 Code section 99D.13 is amended to correct the remaining
4 references in the pari-mutuel wagering chapter to race
5 meetings rather than to race meets. Similar corrections were
6 made in the nonsubstantive Code editor's bill in 2005 Iowa
7 Acts, Senate File 113.
8 Code section 126.23A, as enacted by 2005 Iowa Acts, Senate
9 File 169, relating to the regulation of precursors to
10 amphetamine and methamphetamine, is amended to require a
11 purchaser to legibly print rather than legibly sign the
12 purchaser's name in the logbook kept by retailers and
13 pharmacies selling such products of 360 milligrams or less in
14 liquid, liquid capsule, or liquid-filled gel capsule form
15 over-the-counter. The amendment also deletes a reference to a
16 prohibited sale of such precursor products that contain more
17 than 360 milligrams of pseudoephedrine. The reference to the
18 number of milligrams is incorrect since prohibited over-the-
19 counter sales of such products in the bill also includes all
20 solid forms of such products of any number of milligrams.
21 Code section 135.43 is amended to correctly refer to a
22 division of the department of public health as receiving
23 assistance from the Iowa child death review team and not from
24 another division of the department.
25 Code section 147.105 is amended to replace the indefinite
26 article "a" with the definite article "the" when referring to
27 the physician who can bill for anatomic pathology services
28 personally rendered by or under the direct supervision of the
29 physician. A similar clarification is made for such services
30 personally rendered by or under the direct supervision of a
31 specific clinical laboratory.
32 Code section 231C.2 is amended to conform the punctuation
33 used in the definition of "personal care" in the Code chapter
34 certifying assisted living programs, as that definition was
35 amended in 2005 Iowa Acts, House File 585, to the same

1 definition used in Code chapters 231B and 231D.
2 Code section 307.12 is amended to conform to the amendment
3 to Code section 307.10 made by 2005 Iowa Acts, House File 591,
4 which provides that the state transportation commission no
5 longer approves the budget of the state department of
6 transportation.
7 Code sections 321.43, 321.65, and 321.90 are amended to
8 correctly refer to motor vehicle identification numbers rather
9 than to motor vehicle serial numbers. A similar correction
10 was made to Code section 321.89 in 2005 Iowa Acts, House File
11 757.
12 Code section 327B.1 is amended to correctly refer to
13 evidence of interstate authority being kept in a motor vehicle
14 rather than in a motor carrier. The motor carrier in this
15 Code section is the transportation company and not a vehicle.
16 Code section 325A.3 has a corresponding and correct reference
17 to the motor vehicle.
18 Code sections 602.1304 and 602.8108 are amended to strike
19 references to the allocation of vehicle speeding violation
20 fines to the department of public safety's vehicle
21 depreciation account, as contained in 2005 Iowa Acts, House
22 File 826. The governor item vetoed the allocation of these
23 fines to the depreciation account. The references are now
24 incorrect and need to be stricken.
25 Code section 633.10 is amended to correct an internal
26 reference to the uniform transfer on death security
27 registration Act, currently in division XIX of the probate
28 code, due to the transfer of that Act to new Code chapter 633D
29 as provided for in 2005 Iowa Acts, Senate File 379.
30
31
32
33
34
35

## HOUSE FILE 882

**H-1577**

1 Amend House File 882 as follows:
2 1. Page 4, line 23, by striking the word "eleven"
3 and inserting the following: "~~eleven~~ seven".

**By** FOEGE of Linn
HEDDENS of Story

**H-1577** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1578**

1 Amend House File 882 as follows:
2 1. Page 7, by inserting after line 32, the
3 following:
4 "Sec. ___. SURPLUS APPROPRIATION. Notwithstanding
5 any contrary provisions of section 8.57, prior to any
6 other appropriation and distribution of any surplus in
7 the general fund of the state at the conclusion of the
8 fiscal year ending June 30, 2005, pursuant to section
9 8.57, subsection 1, there is appropriated from that
10 surplus ten million dollars to the department of
11 economic development for purposes of financial
12 assistance to a single biosciences development
13 organization determined by the department to possess
14 expertise in promoting the area of bioscience
15 entrepreneurship."
16 2. By renumbering as necessary.

**By** WISE of Lee
DANDEKAR of Linn
PETERSEN of Polk

**H-1578** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1579**

1 Amend House File 882 as follows:
2 1. Page 16, by inserting after line 16, the
3 following:
4 "Sec. ___. 2005 Iowa Acts, House File 739, if
5 enacted, is amended by adding the following new
6 section:
7 NEW SECTION. Sec. ___. EFFECTIVE DATE. The
8 section of this Act amending section 262.9 to
9 establish a research triangle and clearinghouse takes
10 effect July 1, 2006."

**By** BOAL of Polk

**H-1579** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1580**

1 Amend House File 882 as follows:
2 1. Page 16, by inserting after line 16, the
3 following:
4 "Sec. ___. VEHICLE DEALERSHIP STUDY. The
5 legislative council is requested to appoint an interim
6 study committee that will study the motor vehicle
7 licensing law as it pertains to motor vehicle
8 dealerships' moves from one facility and location to
9 another facility and location in the state. A report
10 should be provided to the general assembly by January
11 15, 2006."
12 2. By renumbering as necessary.

**By** RAECKER of Polk

**H-1580** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1581**

1 Amend House File 882 as follow:
2 1. By striking page 26, line 18, through page 29,
3 line 24.

**By** EICHHORN of Hamilton
TJEPKES of Webster

**H-1581** FILED APRIL 28, 2005

**HOUSE FILE 882**

**H-1582**

1 Amend House File 882 as follows:
2 1. Page 40, by inserting after line 15 the
3 following:
4 "DIVISION
5 MINIMUM WAGE
6 Sec. ___. Section 91D.1, subsection 1, paragraphs
7 a and d, Code 2005, are amended to read as follows:
8 a. The hourly wage stated in the federal minimum
9 wage law, pursuant to 29 U.S.C. § 206, shall be
10 increased to ~~$3.85~~ $5.90 on January 1 ~~of 1990~~, 2006,
11 ~~$4.25 on January 1 of 1991,~~ and ~~$4.65~~ to $6.65 on
12 January 1 ~~of 1992~~, 2007.
13 d. An employer is not required to pay an employee
14 the applicable minimum wage provided in paragraph "a"
15 until the employee has completed ninety calendar days
16 of employment with the employer. An employee who has
17 completed ninety calendar days of employment with the
18 employer prior to January 1 ~~of 1990, 1991~~, 2006, or
19 ~~1992~~ January 1, 2007, shall earn the applicable hourly
20 minimum wage. An employer shall pay an employee who
21 has not completed ninety calendar days of employment
22 with the employer an hourly wage of at least ~~$3.35~~
23 $5.40 as of January 1 ~~of 1990~~, 2006, ~~$3.85 as of~~
24 ~~January 1 of 1991,~~ and ~~$4.25~~ $6.15 as of January 1 ~~of~~
25 ~~1992~~, 2007."
26 2. By renumbering as necessary.

**By** HUNTER of Polk
BUKTA of Clinton
FALLON of Polk
FOEGE of Linn
FREVERT of Palo Alto
DAVITT of Warren
GASKILL of Wapello
HEDDENS of Story
JACOBY of Johnson
JOCHUM of Dubuque
KRESSIG of Black Hawk
LENSING of Johnson
MASCHER of Johnson
R. OLSON of Polk
REASONER of Union
BELL of Jasper
ZIRKELBACH of Jones
SMITH of Marshall
HOGG of Linn
COHOON of Des Moines
SHOMSHOR of Pottawattamie
SHOULTZ of Black Hawk
D. TAYLOR of Linn
T. TAYLOR of Linn
WENDT of Woodbury
WESSEL-KROESCHELL of Story
WHITAKER of Van Buren
WHITEAD of Woodbury
WINCKLER of Scott
MURPHY of Dubuque

**H-1582** FILED APRIL 28, 2005

# HOUSE FILE 882

**H-1583**

1 Amend House File 882 as follows:
2 1. Page 9, by inserting after line 29, the
3 following:
4 "Sec. ___. NEW SECTION. 91D.2 OVERTIME PAY
5 REQUIREMENTS -- EXEMPTIONS.
6 The requirements of the federal Fair Labor
7 Standards Act of 1938, as stated in 29 U.S.C. § 201,
8 et seq., and the regulations adopted under 29 C.F.R.
9 pt. 541, subpart G, shall apply to employers and
10 employees in this state, except that the definitions
11 set forth and in place in 29 C.F.R. pt. 541 on March
12 30, 2003, shall be used in otherwise determining
13 whether an employee is exempt or nonexempt for
14 purposes of overtime pay requirements."

**By** HUNTER of Polk
T. TAYLOR of Linn
ZIRKELBACH of Jones
BELL of Jasper
BUKTA of Clinton
COHOON of Des Moines
DAVITT of Warren
FALLON of Polk
FOEGE of Linn
GASKILL of Wapello
HEDDENS of Story
HOGG of Linn
JACOBY of Johnson
JOCHUM of Dubuque
KRESSIG of Black Hawk
LENSING of Johnson
MASCHER of Johnson
MURPHY of Dubuque
R. OLSON of Polk
SHOULTZ of Black Hawk
SMITH of Marshall
D. TAYLOR of Linn
WENDT of Woodbury
WESSEL-KROESCHELL of Story
WHITAKER of Van Buren
WHITEAD of Woodbury
WINCKLER of Scott

**H-1583** FILED APRIL 28, 2005

**HOUSE FILE 882**

**H-1584**

1 Amend House File 882 as follows:
2 1. Page 12, by inserting after line 18 the
3 following:
4 "Sec. ___. Section 423E.4, subsection 3, paragraph
5 a, Code 2005, is amended to read as follows:
6 a. The director of revenue by June 1 preceding
7 each fiscal year shall compute the guaranteed school
8 infrastructure amount for each school district, each
9 school district's sales tax capacity per student for
10 each county, the statewide tax revenues per student,
11 and the supplemental school infrastructure amount for
12 the coming fiscal year.
13 Sec. ___. Section 423E.4, subsection 3, paragraph
14 b, subparagraph (3), Code 2005, is amended by striking
15 the subparagraph and inserting in lieu thereof the
16 following:
17 (3) "Statewide tax revenues per student" means the
18 amount determined by estimating the total revenues
19 that would be generated by a one percent local option
20 sales and services tax for school infrastructure
21 purposes if imposed by all the counties during the
22 entire fiscal year and dividing this estimated revenue
23 amount by the sum of the combined actual enrollment
24 for all counties as determined in section 423E.3,
25 subsection 5, paragraph "d", subparagraph (2)."

**By** WINCKLER of Scott

**H-1584** FILED APRIL 28, 2005

**HOUSE FILE 882**

**H-1586**

1 Amend House File 882 as follows:
2 1. Page 12, by inserting after line 2, the
3 following:
4 "Sec. ___. Section 330.17, unnumbered paragraph 2,
5 Code 2005, is amended by striking the unnumbered
6 paragraph and inserting in lieu thereof the following:
7 If a city has an airport commission, the city
8 council may adopt a resolution of intent to abolish
9 the airport commission and shall call a public hearing
10 on the proposal. Notice of the time and place of the
11 public hearing shall be published as provided in
12 section 331.305, except that at least ten days' notice
13 must be given. At the public hearing, the council
14 shall receive oral and written comments regarding the
15 proposal from any person. Thereafter, the council, at
16 a subsequent meeting, may adopt a final resolution to
17 abolish the airport commission or may adopt a
18 resolution abandoning the proposal. If the council
19 adopts a final resolution to abolish the airport
20 commission, a petition meeting the same requirements
21 specified in section 362.4 for petitions authorized by
22 city code may be filed with the clerk within thirty
23 days following the effective date of the final
24 resolution, requesting that the question of abolishing
25 the airport commission be submitted to the registered
26 voters of the city. Upon receipt of a petition
27 requesting an election, the council shall direct the
28 county commissioner of elections to put the proposal
29 on the ballot for the next regular city election or a
30 special election. If a petition is not received, the
31 council may amend the ordinance to abolish the airport
32 commission and assume or transfer the powers and
33 duties of the airport commission."
34 2. By renumbering as necessary.

**By** KURTENBACH of Story

**H-1586** FILED APRIL 28, 2005

# HOUSE FILE 882

**H-1588**

1 Amend House File 882 as follows:
2 1. Page 1, line 16, by striking the figure
3 "33,361,148" and inserting the following:
4 "35,788,041".
5 2. Page 1, by inserting after line 31 the
6 following:
7 "d. For distribution to counties as cost share for
8 county coverage of services to adult persons with
9 brain injury in accordance with the law enacted as a
10 result of the provisions of 2005 Iowa Acts, House File
11 876, or other law providing for such coverage to
12 commence in the fiscal year beginning July 1, 2006:
13 ..... $ 2,426,893"

**By** CARROLL of Poweshiek
SMITH of Marshall
FOEGE of Linn
HEATON of Henry
UPMEYER of Hancock

**H-1588** FILED APRIL 28, 2005

# HOUSE FILE 882

H-1591

1 Amend House File 882 as follows:
2 1. Page 9, by inserting after line 29, the
3 following:
4 "Sec. ___. Section 15E.193B, subsection 5, Code
5 2005, is amended by adding the following new
6 paragraph:
7 NEW PARAGRAPH. f. If the eligible housing
8 business is a partnership, S corporation, or limited
9 liability company using low-income housing tax credits
10 authorized under section 42 of the Internal Revenue
11 Code to assist in the financing of the housing
12 development, the name of any partner if the business
13 is a partnership, a shareholder if the business is an
14 S corporation, or a member if the business is a
15 limited liability company and the amount designated as
16 allowed under subsection 8.
17 Sec. ___. Section 15E.193B, subsection 6,
18 paragraph a, Code 2005, is amended to read as follows:
19 a. An eligible housing business may claim a tax
20 credit up to a maximum of ten percent of the new
21 investment which is directly related to the building
22 or rehabilitating of a minimum of four single-family
23 homes located in that part of a city or county in
24 which there is a designated enterprise zone or one
25 multiple dwelling unit building containing three or
26 more individual dwelling units located in that part of
27 a city or county in which there is a designated
28 enterprise zone. The new investment that may be used
29 to compute the tax credit shall not exceed the new
30 investment used for the first one hundred forty
31 thousand dollars of value for each single-family home
32 or for each unit of a multiple dwelling unit building
33 containing three or more units. The tax credit may be
34 used to reduce the tax liability imposed under chapter
35 422, division II, III, or V, or chapter 432. Any
36 credit in excess of the tax liability for the tax year
37 may be credited to the tax liability for the following
38 seven years or until depleted, whichever occurs
39 earlier. If the business is a partnership, S
40 corporation, limited liability company, or estate or
41 trust electing to have the income taxed directly to
42 the individual, an individual may claim the tax credit
43 allowed. The amount claimed by the individual shall
44 be based upon the pro rata share of the individual's
45 earnings of the partnership, S corporation, limited
46 liability company, or estate or trust <u>except as</u>
47 <u>allowed for under subsection 8 when low-income housing</u>
48 <u>tax credits authorized under section 42 of the</u>
49 <u>Internal Revenue Code are used to assist in the</u>
50 <u>financing of the housing development</u>.

1 Sec. ___. Section 15E.193B, subsection 8,
2 unnumbered paragraph 1, Code 2005, is amended to read
3 as follows:
4 The amount of the tax credits determined pursuant
5 to subsection 6, paragraph "a", for each project shall
6 be approved by the department of economic development.
7 The department shall utilize the financial information
8 required to be provided under subsection 5, paragraph
9 "e", to determine the tax credits allowed for each
10 project. In determining the amount of tax credits to
11 be allowed for a project, the department shall not
12 include the portion of the project cost financed
13 through federal, state, and local government tax
14 credits, grants, and forgivable loans. Upon approving
15 the amount of the tax credit, the department of
16 economic development shall issue a tax credit
17 certificate to the eligible housing business except
18 when low-income housing tax credits authorized under
19 section 42 of the Internal Revenue Code are used to
20 assist in the financing of the housing development in
21 which case the tax credit certificate may be issued to
22 a partner if the business is a partnership, a
23 shareholder if the business is an S corporation, or a
24 member if the business is a limited liability company
25 in the amounts designated by the eligible partnership,
26 S corporation, or limited liability company. An
27 eligible housing business or the designated partner if
28 the business is a partnership, designated shareholder
29 if the business is an S corporation, or designated
30 member if the business is a limited liability company,
31 or transferee shall not claim the tax credit unless a
32 tax credit certificate issued by the department of
33 economic development is attached to the taxpayer's
34 return for the tax year for which the tax credit is
35 claimed. The tax credit certificate shall contain the
36 taxpayer's name, address, tax identification number,
37 the amount of the tax credit, and other information
38 required by the department of revenue. The tax credit
39 certificate shall be transferable if low-income
40 housing tax credits authorized under section 42 of the
41 Internal Revenue Code are used to assist in the
42 financing of the housing development. Tax credit
43 certificates issued under this chapter may be
44 transferred to any person or entity. Within ninety
45 days of transfer, the transferee must submit the
46 transferred tax credit certificate to the department
47 of economic development along with a statement
48 containing the transferee's name, tax identification
49 number, and address, and the denomination that each
50 replacement tax credit certificate is to carry and any

1 other information required by the department of
2 revenue. Within thirty days of receiving the
3 transferred tax credit certificate and the
4 transferee's statement, the department of economic
5 development shall issue one or more replacement tax
6 credit certificates to the transferee. Each
7 replacement certificate must contain the information
8 required to receive the original certificate and must
9 have the same expiration date that appeared in the
10 transferred tax credit certificate. Tax credit
11 certificate amounts of less than the minimum amount
12 established by rule of the department of economic
13 development shall not be transferable. A tax credit
14 shall not be claimed by a transferee under subsection
15 6, paragraph "a", until a replacement tax credit
16 certificate identifying the transferee as the proper
17 holder has been issued."
18 2. Page 12, by inserting after line 18 the
19 following:
20 "Sec. ___. Section 422.11D, subsection 2, Code
21 2005, is amended to read as follows:
22 2. An individual may claim a property
23 rehabilitation tax credit allowed a partnership,
24 limited liability company, S corporation, estate, or
25 trust electing to have the income taxed directly to
26 the individual. The amount claimed by the individual
27 shall be based upon the pro rata share of the
28 individual's earnings of a partnership, limited
29 liability company, S corporation, estate, or trust
30 except when low-income housing tax credits authorized
31 under section 42 of the Internal Revenue Code are used
32 to assist in the financing of the housing development
33 in which case the amount claimed by a partner if the
34 business is a partnership, a shareholder if the
35 business is an S corporation, or a member if the
36 business is a limited liability company shall be based
37 on the amounts designated by the eligible partnership,
38 S corporation, or limited liability company."

**By** J. K. VAN FOSSEN of Scott

**H-1591** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1592**

1 Amend House File 882 as follows:
2 1. By striking page 9, line 30, through page 11,
3 line 18.

**By** DIX of Butler

**H-1592** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1595**

1 Amend House File 882 as follows:
2 1. Page 6, by inserting after line 14, the
3 following:
4 "Sec. ___. 2005 Iowa Acts, House File 816, section
5 10, subsection 1, paragraph f, unnumbered paragraph 1,
6 if enacted, is amended to read as follows:
7 For funds for regents universities' general
8 operating budgets:
9 ..... $ ~~12,569,288~~
10 40,000,000"
11 2. By renumbering as necessary.

**By** KRESSIG of Black Hawk
LENSING of Johnson
MASCHER of Johnson
JACOBY of Johnson
BERRY of Black Hawk
HEDDENS of Story
WESSEL-KROESCHELL of Story
SHOULTZ of Black Hawk

**H-1595** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1597**

1 Amend House File 882 as follows:
2 1. Page 7, by striking lines 14 through 27.
3 2. By renumbering as necessary.

**By** PETERSEN of Polk
HOGG of Linn

**H-1597** FILED APRIL 28, 2005

**HOUSE FILE 882**

**H-1598**

1 Amend the amendment, H-1591, to House File 882 as
2 follows:
3 1. Page 3, by inserting after line 38 the
4 following:
5 "___. Page 12, by inserting before line 19 the
6 following:
7 "Sec. ___. Section 423.3, Code 2005, is amended by
8 adding the following new subsection:
9 NEW SUBSECTION. 29A. The sales price of all
10 goods, wares, or merchandise sold, or of services
11 furnished, which are used in the fulfillment of a
12 written construction contract with a residential
13 treatment facility for youth with emotional or
14 behavioral disorders licensed pursuant to chapter 237
15 or 135H if all of the following apply:
16 a. The sales and delivery of the goods, wares, or
17 merchandise, or the services furnished occurred
18 between July 1, 2004, and December 31, 2006.
19 b. The written construction contract was entered
20 into after December 31, 2003.
21 c. The sales or services were purchased by a
22 contractor as the agent for the facility or were
23 purchased directly by the facility."
24 ___. Page 16, by inserting after line 16 the
25 following:
26 "Sec. ___. EFFECTIVE DATE. The section of this
27 division of this Act enacting section 423.3,
28 subsection 29A, being deemed of immediate importance,
29 takes effect upon enactment.""

**By** J. K. VAN FOSSEN of Scott

**H-1598** FILED APRIL 28, 2005

# HOUSE FILE 882

**H-1599**

1 Amend House File 882 as follows:
2 1. Page 2, line 10, by striking the figure
3 "11,271,000" and inserting the following:
4 "37,771,000".
5 2. Page 2, by striking lines 11 through 13, and
6 inserting the following:
7 "Of the amount appropriated under section 279.51,
8 subsection 1, pursuant to this subsection, $33,996,000
9 is allocated for purposes of the grants awarded by the
10 child development coordinating council and other
11 council duties as provided in section 279.51,
12 subsection 1, paragraph "b"."

**By** OLDSON of Polk
BELL of Jasper
BUKTA of Clinton
DANDEKAR of Linn
FORD of Polk
HOGG of Linn
HUSER of Polk
JOCHUM of Dubuque
KUHN of Floyd
LYKAM of Scott
MILLER of Webster
BERRY of Black Hawk
COHOON of Des Moines
DAVITT of Warren
FREVERT of Palo Alto
HEDDENS of Story
HUNTER of Polk
JACOBY of Johnson
KRESSIG of Black Hawk
LENSING of Johnson
MASCHER of Johnson
MERTZ of Kossuth
MURPHY of Dubuque
D. OLSON of Boone
R. OLSON of Polk
PETTENGILL of Benton
REASONER of Union
SCHUELLER of Jackson
SHOULTZ of Black Hawk
SWAIM of Davis
T. TAYLOR of Linn
WENDT of Woodbury
WHITAKER of Van Buren
WINCKLER of Scott
ZIRKELBACH of Jones
PETERSEN of Polk
QUIRK of Chickasaw
REICHERT of Muscatine
SHOMSHOR of Pottawattamie
SMITH of Marshall
D. TAYLOR of Linn
THOMAS of Clayton
WESSEL-KROESCHELL of Story
WHITEAD of Woodbury
WISE of Lee

**H-1599** FILED APRIL 28, 2005

**HOUSE FILE 882**

**H-1600**

1 Amend House File 882 as follows:
2 1. Page 6, by inserting after line 14, the
3 following:
4 "Sec. ___. 2005 Iowa Acts, House File 816, section
5 5, subsection 12, if enacted, is amended to read as
6 follows:
7 12. STUDENT ACHIEVEMENT AND TEACHER QUALITY
8 PROGRAM
9 For purposes, as provided in law, of the student
10 achievement and teacher quality program established
11 pursuant to chapter 284:
12 ..... $ ~~58,718,894~~
13 92,683,894"
14 2. Page 7, by inserting after line 32, the
15 following:
16 "Sec. ___. Section 284.13, subsection 1, paragraph
17 e, Code 2005, as amended by 2005 Iowa Acts, House File
18 816, section 22, if enacted, is amended to read as
19 follows:
20 e. For the fiscal year beginning July 1, 2005, and
21 ending June 30, 2006, up to ~~one~~ six hundred ~~eighty-~~
22 ~~five~~ thousand dollars to the department of education
23 for purposes of implementing the career development
24 program requirements of section 284.6, and the review
25 panel requirements of section 284.9. From the moneys
26 allocated to the department pursuant to this
27 paragraph, not less than ten thousand dollars shall be
28 distributed to the board of educational examiners for
29 purposes of convening an educator licensing review
30 working group. A portion of the funds allocated to
31 the department for purposes of this paragraph may be
32 used by the department for administrative purposes.
33 Notwithstanding section 8.33, moneys allocated for
34 purposes of this paragraph prior to July 1, 2004,
35 which remain unobligated or unexpended at the end of
36 the fiscal year for which the moneys were
37 appropriated, shall remain available for expenditure
38 for the purposes for which they were allocated, for
39 the fiscal year beginning July 1, 2004, and ending
40 June 30, 2005."
41 3. Page 7, by inserting after line 33, the
42 following:
43 "Sec. ___. 2005 Iowa Acts, House File 816,
44 sections 9 and 23, if enacted, are repealed."
45 4. By renumbering as necessary.

**By** WENDT of Woodbury
BELL of Jasper
BUKTA of Clinton
DANDEKAR of Linn
FORD of Polk
GASKILL of Wapello
HOGG of Linn
HUSER of Polk
JOCHUM of Dubuque
KUHN of Floyd
LYKAM of Scott
MILLER of Webster
OLDSON of Polk
BERRY of Black Hawk
COHOON of Des Moines
DAVITT of Warren
FREVERT of Palo Alto
HEDDENS of Story
HUNTER of Polk
JACOBY of Johnson
KRESSIG of Black Hawk
LENSING of Johnson
MASCHER of Johnson
MERTZ of Kossuth
MURPHY of Dubuque
D. OLSON of Boone
R. OLSON of Polk
PETTENGILL of Benton
REASONER of Union
SCHUELLER of Jackson
SHOULTZ of Black Hawk
SWAIM of Davis
T. TAYLOR of Linn
WHITAKER of Van Buren
WINCKLER of Scott
ZIRKELBACH of Jones
QUIRK of Chickasaw
REICHERT of Muscatine
SHOMSHOR of Pottawattamie
SMITH of Marshall
D. TAYLOR of Linn
THOMAS of Clayton
WESSEL-KROESCHELL of Story
WHITEAD of Woodbury
WISE of Lee

**H-1600** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1601**

Amend the amendment, H-1581, to House File 882 as follows:

1. Page 1, by striking lines 2 and 3 and inserting the following:

"___. By striking page 26, line 20, through page 29, line 24 and inserting the following:

"Sec. ___. AUDIT. The auditor of state is authorized to audit the financial records of any company that provides service to the county land record information system.""

2. By renumbering as necessary.

**By** GASKILL of Wapello

**H-1601** FILED APRIL 28, 2005

**HOUSE FILE 882**

**H-1602**

1 Amend the amendment, H-1581, to House File 882 as
2 follows:
3 1. Page 1, by striking lines 2 and 3 and
4 inserting the following:
5 "___. By striking page 26, line 20, through page
6 29, line 24 and inserting the following:
7 "Sec. ___. INFORMATION AND SECURITY REVIEW. The
8 attorney general and the auditor of state shall review
9 the county land record information system and report
10 to the government oversight committees on or before
11 January 15, 2006, regarding the security of
12 information on the county land record information
13 system and how information on such system may be
14 used.""
15 2. By renumbering as necessary.

**By** THOMAS of Clayton

**H-1602** FILED APRIL 28, 2005

H-1603

1 Amend House File 882 as follows:
2 1. Page 3, line 2, by striking the figure
3 "159,600,000" and inserting the following:
4 "159,663,964".
5 2. Page 5, line 6, by striking the words "human
6 services" and inserting the following: "public
7 health".
8 3. Page 5, line 10, by striking the words
9 "families with one or more children" and inserting the
10 following: "individual patients".
11 4. Page 5, line 12, by striking the words "by the
12 children".
13 5. Page 5, by inserting after line 13, the
14 following:
15 "Sec. ___. ARCHIVE GOVERNORS' RECORDS. There is
16 appropriated from the general fund of the state to the
17 department of cultural affairs for the fiscal year
18 beginning July 1, 2005, and ending June 30, 2006, the
19 following amount, or so much thereof as is necessary,
20 to be used for the purpose designated:
21 To match private funding for archiving the records
22 of Iowa governors:
23 ..... $ 75,000
24 Sec. ___. CIVIL AIR PATROL. There is appropriated
25 from the general fund of the state to the state
26 department of transportation for the fiscal year
27 beginning July 1, 2005, and ending June 30, 2006, the
28 following amount, or so much thereof as is necessary,
29 to be used for the purpose designated:
30 For the Iowa civil air patrol:
31 ..... $ 125,000
32 Sec. ___. BIENNIAL REPORTING. There is
33 appropriated from the general fund of the state to the
34 secretary of state for the fiscal year beginning July
35 1, 2005, and ending June 30, 2006, the following
36 amount, or so much thereof as is necessary, to be used
37 for the purpose designated:
38 For administering the biennial reporting
39 requirements for limited liability companies as
40 required in section 490A.131, if enacted by 2005 Iowa
41 Acts, House File 859:
42 ..... $ 275,000
43 Sec. ___. SCHOOL SHARING AND EFFICIENCIES. There
44 is appropriated from the general fund of the state to
45 the department of education for the fiscal year
46 beginning July 1, 2005, and ending June 30, 2006, the
47 following amount, or so much thereof as is necessary,
48 to be used for the purpose designated:
49 For implementation of 2005 Iowa Acts, House File
50 873, if enacted:

1 ..... $ 200,000"
2 6. Page 6, line 4, by striking the figure "72.00"
3 and inserting the following: "71.00".
4 7. Page 6, by inserting after line 14 the
5 following:
6 "Sec. ___. 2005 Iowa Acts, House File 816, section
7 5, subsection 10, unnumbered paragraph 1, if enacted,
8 is amended to read as follows:
9 For deposit in the school ready children grants
10 account of the Iowa empowerment fund created in
11 section 28.9:
12 ..... $ ~~22,481,594~~
13 21,481,594
14 Sec. ___. 2005 Iowa Acts, House File 816, section
15 5, subsection 10, paragraph d, if enacted, is amended
16 to read as follows:
17 d. Of the amount appropriated in this subsection
18 for deposit in the school ready children grants
19 account of the Iowa empowerment fund, ~~$1,000,000~~
20 $500,000 shall be allocated to a collaborative effort
21 between the Iowa community empowerment board and Iowa
22 state university extension to provide hands-on
23 assistance to child care providers.
24 Sec. ___. 2005 Iowa Acts, House File 816, section
25 5, subsection 12, if enacted, is amended to read as
26 follows:
27 12. STUDENT ACHIEVEMENT AND TEACHER QUALITY
28 PROGRAM
29 For purposes, as provided in law, of the student
30 achievement and teacher quality program established
31 pursuant to chapter 284:
32 ..... $ ~~58,718,894~~
33 67,618,894
34 Sec. ___. 2005 Iowa Acts, House File 816, section
35 5, subsection 13, if enacted, is amended to read as
36 follows:
37 13. COMMUNITY COLLEGES
38 For general state financial aid to merged areas as
39 defined in section 260C.2 in accordance with chapters
40 258 and 260C:
41 ..... $~~146,063,888~~
42 147,579,244
43 The funds appropriated in this subsection shall be
44 allocated as follows:
45 a. Merged Area I ..... $ ~~7,050,307~~
46 7,124,315
47 b. Merged Area II ..... $ ~~8,174,864~~
48 8,258,602
49 c. Merged Area III ..... $ ~~7,573,324~~
50 7,650,479

d. Merged Area IV ..... $ ~~3,708,637~~ 3,746,521

e. Merged Area V ..... $ ~~7,844,724~~ 7,926,341

f. Merged Area VI ..... $ ~~7,187,687~~ 7,261,075

g. Merged Area VII ..... $ ~~10,452,573~~ 10,560,846

h. Merged Area IX ..... $ ~~12,871,340~~ 13,005,054

i. Merged Area X ..... $ ~~20,387,667~~ 20,603,300

j. Merged Area XI ..... $ ~~21,520,591~~ 21,745,905

k. Merged Area XII ..... $ ~~8,447,771~~ 8,535,410

l. Merged Area XIII ..... $ ~~8,664,978~~ 8,754,676

m. Merged Area XIV ..... $ ~~3,753,491~~ 3,791,821

n. Merged Area XV ..... $ ~~11,804,074~~ 11,924,610

o. Merged Area XVI ..... $ ~~6,621,860~~ 6,690,289

Sec. ___. 2005 Iowa Acts, House File 816, section 10, subsection 1, paragraph f, if enacted, is amended to read as follows:

f. For funds for regents universities' general operating budgets:

..... $ ~~12,569,288~~ 14,969,288

Sec. ___. 2005 Iowa Acts, House File 816, section 10, subsection 1, paragraph f, subparagraph (6), if enacted, is amended to read as follows:

(6) From the moneys allocated to the Iowa state university of science and technology pursuant to this lettered paragraph, an amount equal to ~~$50,000~~ $1,000,000 shall be distributed to the college of veterinary medicine to reduce the operating fees charged by the veterinary diagnostic laboratory. If Iowa state university of science and technology fails to distribute funds to the college of veterinary science in accordance with this paragraph, the moneys shall revert to the general fund of the state.

Sec. ___. 2005 Iowa Acts, House File 825, section 9, unnumbered paragraph 2, if enacted, is amended to read as follows:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2005, except as

otherwise expressly authorized by law, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary: ..... $~~524,800,000~~ 518,300,000

Sec. ___. 2005 Iowa Acts, House File 825, section 14, unnumbered paragraph 2, if enacted, is amended to read as follows:

For child care programs: ..... $ ~~8,350,752~~ 17,350,752

Sec. ___. 2005 Iowa Acts, House File 825, section 14, subsection 1, paragraph a, if enacted, is amended to read as follows:

a. Of the funds appropriated in this section, ~~$7,325,228~~ $16,325,228 shall be used for state child care assistance in accordance with section 237A.13."

8. Page 6, by inserting after line 23 the following:

"Sec. ___. 2005 Iowa Acts, House File 825, section 29, subsection 11, if enacted, is amended to read as follows:

11. For the fiscal year beginning July 1, 2005, for child care providers reimbursed under the state child care assistance program, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December ~~1998~~ 2002. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered. If the federal government provides additional funding for child care during the fiscal year beginning July 1, 2005, the additional funding shall be used to develop and implement an electronic billing and payment system for child care providers."

9. Page 6, line 31, by striking the figure "53,147,109" and inserting the following: "59,647,109".

10. Page 7, by inserting after line 32 the following:

"Sec. ___. Section 284.13, subsection 1, paragraph dd, as enacted by 2005 Iowa Acts, House File 816, section 23, if enacted, is amended to read as follows:

dd. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to ~~eight~~ seventeen million ~~nine~~ eight hundred thousand dollars to the department of education for use by school districts to add ~~one~~ two additional teacher contract ~~day~~ days to the school calendar. Prior to receiving funds under this paragraph, a school district shall submit for

1 approval to the department the school district's
2 professional development plan for use of the moneys.
3 From the moneys allocated to the department pursuant
4 to this paragraph, not less than seventy-five thousand
5 dollars shall be used to administer the ambassador to
6 education position in accordance with section 256.45
7 and the reporting and plan requirements of this
8 subsection shall not apply to this allocation. The
9 department shall submit a report on school district
10 use of the moneys distributed pursuant to this
11 paragraph to the chairpersons and ranking members of
12 the house and senate standing committees on education,
13 the joint appropriations subcommittee on education,
14 and the legislative services agency not later than
15 January 15, 2006.
16 Sec. ___. Section 490A.131, subsection 5, if
17 enacted by 2005 Iowa Acts, House File 859, section
18 109, is amended to read as follows:
19 5. The first biennial report shall be delivered to
20 the secretary of state between January 1 and April 1
21 of the first ~~odd-numbered~~ even-numbered year following
22 the calendar year in which a limited liability company
23 was formed or a foreign limited liability company was
24 authorized to transact business. Subsequent biennial
25 reports must be delivered to the secretary of state
26 between January 1 and April 1 of the following ~~odd-~~
27 ~~numbered~~ even-numbered calendar years. A filing fee
28 for the biennial report shall be determined by the
29 secretary of state and deposited into the general fund
30 of the state. For purposes of this section, each
31 biennial report shall contain information related to
32 the two-year period immediately preceding the calendar
33 year in which the report is filed."
34 11. Page 12, by striking lines 3 through 18.
35 12. Page 13, by inserting after line 24, the
36 following:
37 "Sec. ___. Section 427.1, Code 2005, is amended by
38 adding the following new subsection:
39 NEW SUBSECTION. 21A. Dwelling unit property owned
40 and managed by a nonprofit organization if the
41 nonprofit organization owns and manages more than
42 forty dwelling units that are located in a city with a
43 population of more than one hundred ten thousand which
44 has a public housing authority that does not own or
45 manage housing stock for the purpose of low-rent
46 housing."
47 13. Page 16, by inserting after line 16, the
48 following:
49 "Sec. ___. BUDGET GUARANTEE RESOLUTION --
50 RESOLUTION ADOPTION EXTENSION. Notwithstanding the

1 provisions of section 257.14, subsection 3, unnumbered
2 paragraph 3, a school district that wishes to receive
3 a budget adjustment pursuant to that subsection for
4 the school budget year beginning July 1, 2005, shall
5 have until June 1, 2005, to adopt a resolution to
6 receive the budget adjustment and to notify the
7 department of management of the adoption of the
8 resolution and the amount of the budget adjustment to
9 be received.
10 Sec. ___. APPLICABILITY PROVISION. The section of
11 this division of this Act enacting new subsection 21A
12 to section 427.1 shall not be considered a property
13 tax exemption within the meaning of or for the
14 purposes of section 25B.7.
15 Sec. ___. EFFECTIVE DATE. The section of this
16 division of this Act providing an extension of time
17 for adoption of a budget adjustment resolution
18 pursuant to section 257.14, subsection 3, for a budget
19 adjustment for the school budget year beginning July
20 1, 2005, being deemed of immediate importance, takes
21 effect upon enactment."

**By** DIX of Butler

**H-1603** FILED APRIL 28, 2005

## HOUSE FILE 882

**H-1604**

1 Amend the amendment, H-1581, to House File 882, as
2 follows:
3 1. Page 1, by striking lines 2 and 3 and
4 inserting the following:
5 "___. By striking page 26, line 20, through page
6 29, line 24, and inserting the following:
7 "Sec. ___. IOWA STATE ASSOCIATION OF COUNTIES.
8 The Iowa state association of counties shall provide a
9 report to the government oversight committees on or
10 before December 1, 2005, regarding the progress of the
11 county land record information system.""
12 2. By renumbering as necessary.

**By** LENSING of Johnson

**H-1604** FILED APRIL 29, 2005
ADOPTED

## HOUSE FILE 882

**H-1605**

1 Amend the amendment, H-1603, to House File 882 as
2 follows:
3 1. Page 3, by striking lines 32 through 44 and
4 inserting the following:
5 "Sec. ___. 2005 Iowa Acts, House File 816, section
6 10, subsection 1, paragraph f, if enacted, is amended
7 by adding the following new subparagraph:
8 NEW SUBPARAGRAPH. (1A) The first $1,000,000 shall
9 be distributed by the state board of regents to the
10 university of northern Iowa to provide additional
11 support for the agriculture-based industrial
12 lubricants research program and the remainder shall be
13 distributed as provided in subparagraph (2).
14 Sec. ___. 2005 Iowa Acts, House File 816, section
15 10, subsection 1, paragraph f, subparagraph (6), if
16 enacted, is amended by striking the subparagraph."
17 2. By renumbering as necessary.

**By** SHOULTZ of Black Hawk

**H-1605** FILED APRIL 29, 2005
LOST

## HOUSE FILE 882

**H-1606**

1 Amend the amendment, H-1603, to House File 882 as
2 follows:
3 1. Page 3, by striking lines 32 through 44, and
4 inserting the following:
5 "Sec. ___. 2005 Iowa Acts, House File 816, section
6 10, subsection 1, paragraph f, if enacted, is amended
7 by adding the following new subparagraph:
8 NEW SUBPARAGRAPH. (1A) The first $1,000,000 shall
9 be equally distributed by the state board of regents
10 to the southwest Iowa graduate studies center, the
11 tristate graduate center, and quad-cities graduate
12 studies center for the centers to expand graduate
13 programs and the remainder shall be distributed as
14 provided in subparagraph (2).
15 Sec. ___. 2005 Iowa Acts, House File 816, section
16 10, subsection 1, paragraph f, subparagraph (6), if
17 enacted, is amended by striking the subparagraph."
18 2. By renumbering as necessary.

**By** WENDT of Woodbury

**H-1606** FILED APRIL 29, 2005
LOST

## HOUSE FILE 882

**H-1607**

1 Amend the amendment, H-1603, to House File 882 as
2 follows:
3 1. Page 2, line 1, by striking the figure
4 "200,000" and inserting the following: "325,000".

**By** WENDT of Woodbury

**H-1607** FILED APRIL 29, 2005
LOST

## HOUSE FILE 882

**H-1608**

1 Amend the amendment, H-1603, to House File 882 as
2 follows:
3 1. Page 3, by striking lines 32 through 44 and
4 inserting the following:
5 "Sec. ___. 2005 Iowa Acts, House File 816, section
6 10, subsection 1, paragraph f, if enacted, is amended
7 by adding the following new subparagraph:
8 NEW SUBPARAGRAPH. (1A) The first $1,000,000 shall
9 be equally distributed by the state board of regents
10 to the state school for the deaf and the Iowa braille
11 and sight saving school to provide services by
12 specially trained interventionists to families of
13 identified children from birth through age five who
14 have hearing or vision impairments and the remainder
15 shall be distributed as provided in subparagraph (2).
16 Sec. ___. 2005 Iowa Acts, House File 816, section
17 10, subsection 1, paragraph f, subparagraph (6), if
18 enacted, is amended by striking the subparagraph."
19 2. By renumbering as necessary.

**By** PETTENGILL of Benton
SHOMSHOR of Pottawattamie

**H-1608** FILED APRIL 29, 2005
LOST

## HOUSE FILE 882

**H-1609**

1 Amend the amendment, H-1603, to House File 882 as
2 follows:
3 1. Page 3, by striking lines 32 through 44 and
4 inserting the following:
5 "Sec. ___. 2005 Iowa Acts, House File 816, section
6 10, subsection 1, paragraph f, if enacted, is amended
7 by adding the following new subparagraph:
8 NEW SUBPARAGRAPH. (1A) The first $1,000,000 shall
9 be distributed by the state board of regents to
10 supplement the regents universities' work-study
11 programs and the remainder shall be distributed as
12 provided in subparagraph (2).
13 Sec. ___. 2005 Iowa Acts, House File 816, section
14 10, subsection 1, paragraph f, subparagraph (6), if
15 enacted, is amended by striking the subparagraph."
16 2. By renumbering as necessary.

**By** MASCHER of Johnson

**H-1609** FILED APRIL 29, 2005
LOST

# HOUSE FILE 882

**H-1610**

Amend House File 882 as follows:

1. Page 40, by inserting after line 15 the following:

"DIVISION

REPAYMENT OF FUNDS

Sec. ___. Section 8.54, subsection 2, Code 2005, is amended to read as follows:

2. There is created a state general fund expenditure limitation for each fiscal year calculated as provided in this section. An expenditure limitation shall be used for ~~the portion of~~ the budget process commencing on the date the revenue estimating conference agrees to a revenue estimate for the following fiscal year in accordance with section 8.22A, subsection 3, and ending with the ~~governor's final approval or disapproval of the appropriations bills applicable to that fiscal year that were passed prior to July 1 of that fiscal year in a regular or extraordinary legislative session~~ close of the fiscal year for which the expenditure limitation was calculated. Once the fiscal year for which the expenditure limitation was calculated commences, the expenditure limitation for that fiscal year is not subject to adjustment or readjustment except by law enacted for that purpose.

Sec. ___. Section 8.54, Code 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 8. a. The requirements of this subsection are only applicable under the state general fund expenditure limitation for a fiscal year when the adjusted revenue estimate used to establish the expenditure limitation for that fiscal year represents an increase of two percent or more over the adjusted revenue estimate used to establish the expenditure limitation for the immediately preceding fiscal year.

b. If an appropriation is made for a fiscal year from a source other than the general fund of the state for a designated purpose and in either of the two fiscal years immediately preceding that fiscal year the designated purpose was funded by an appropriation from the general fund of the state, for the purposes of the state general fund expenditure limitation, the amount of the appropriation from the other source shall be considered to have been transferred to and appropriated from the general fund of the state and shall be counted as both a new revenue causing readjustment of the expenditure limitation amount and as an appropriation made under the expenditure limitation amount. Subject to the applicability condition in paragraph "a", the requirements of this

1 subsection shall apply to either or both the initial
2 and immediately succeeding fiscal years for which the
3 appropriation is made from the other funding source.
4 NEW SUBSECTION. 9. a. Commencing during the
5 fiscal year that begins July 1, 2006, if the adjusted
6 revenue estimate used to establish the expenditure
7 limitation for the succeeding fiscal year represents
8 an increase over the adjusted revenue estimate used to
9 establish the expenditure limitation for the fiscal
10 year in progress by a percentage amount listed in this
11 paragraph, there is appropriated from the general fund
12 of the state to the office of the treasurer of state
13 for the succeeding fiscal year, the indicated amount.
14 An appropriation made pursuant to this subsection
15 shall be counted under the state general fund
16 expenditure limitation amount for the fiscal year for
17 which the appropriation is made. The treasurer of
18 state shall distribute the appropriation as provided
19 in paragraph "b" to be used to restore funding that
20 was transferred to the general fund of the state or
21 appropriated from various funds and accounts in lieu
22 of funding from the general fund of the state. The
23 appropriation made in this paragraph shall continue on
24 an annual basis until the amounts listed in paragraph
25 "b" have all been distributed. If the amount
26 appropriated would exceed the amount remaining to be
27 distributed, the appropriation shall be reduced by the
28 excess.
29 (1) For an increase in the adjusted revenue
30 estimate of at least two percent but less than four
31 percent, the appropriation made in this paragraph "a"
32 shall be an amount equal to one-half of one percent of
33 the adjusted revenue estimate used to establish the
34 state general fund expenditure limitation for the
35 fiscal year for which the appropriation is made.
36 (2) For an increase in the adjusted revenue
37 estimate of at least four percent but less than six
38 percent, the appropriation made in this paragraph "a"
39 shall be an amount equal to one percent of the
40 adjusted revenue estimate used to establish the state
41 general fund expenditure limitation for the fiscal
42 year for which the appropriation is made.
43 (3) For an increase in the adjusted revenue
44 estimate of at least six percent but less than eight
45 percent, the appropriation made in this paragraph "a"
46 shall be an amount equal to one and one-half percent
47 of the adjusted revenue estimate used to establish the
48 state general fund expenditure limitation for the
49 fiscal year for which the appropriation is made.
50 (4) For an increase in the adjusted revenue

1 estimate of eight percent or more, the appropriation
2 made in this paragraph "a" shall be an amount equal to
3 two percent of the adjusted revenue estimate used to
4 establish the state general fund expenditure
5 limitation for the fiscal year for which the
6 appropriation is made.
7 b. The appropriation made in paragraph "a" shall
8 be annually, if necessary, distributed as provided in
9 this paragraph "b". Unless otherwise provided by law,
10 notwithstanding section 8.33, moneys distributed in
11 accordance with this paragraph that remain
12 unencumbered or unobligated at the close of the fiscal
13 year shall not revert but shall remain available for
14 expenditure for the purposes designated until
15 expended.
16 (1) Moneys appropriated in paragraph "a" shall be
17 distributed to the funds and departments listed in
18 this subparagraph, in the order and amounts listed
19 until the full amounts listed have been distributed.
20 To the extent the appropriation for a fiscal year is
21 insufficient to fully fund an amount listed or
22 remaining, the amount of the insufficiency shall be
23 distributed from the next succeeding appropriation or
24 appropriations. When all amounts listed in this
25 subparagraph have been distributed in full, any
26 remaining amounts of the appropriation made in
27 paragraph "a" shall be distributed as provided in
28 subparagraph (2). Moneys distributed pursuant to this
29 subparagraph (1) shall be used for the purposes of the
30 fund or department to which distributed, unless a
31 purpose is stated with the amount:
32 (a) The innovations fund created in section 8.63,
33 four hundred thousand dollars.
34 (b) The state department of transportation to be
35 used for aviation hangars, three hundred sixty
36 thousand dollars, and for airport engineering studies
37 and improvement projects, three hundred forty-seven
38 thousand dollars.
39 (c) The special all-terrain vehicle fund created
40 pursuant to section 321I.8, eight hundred thousand
41 dollars.
42 (d) The victim compensation fund established in
43 section 915.94, one million dollars.
44 (e) The special snowmobile fund created pursuant
45 to section 321G.7, one million dollars.
46 (f) The revolving fund created in section
47 602.1302, for the purpose of paying jury and witness
48 fees and mileage by the judicial branch, one million
49 dollars.
50 (g) The brucellosis and tuberculosis eradication

dollars.

(c) The rebuild Iowa infrastructure fund created in section 8.57, subsection 6, forty-three million eight hundred thousand dollars.

(d) The senior living trust fund created in section 249H.4, four hundred forty-six million dollars.

(e) The Iowa comprehensive petroleum underground storage tank fund created in section 455G.3, forty-eight million dollars.

(f) The cash reserve fund created in section 8.56, two hundred ninety million dollars.

(3) The aggregate amount of the appropriations to be transferred from the Iowa economic emergency fund to the senior living trust fund and the endowment for Iowa's health account of the tobacco settlement trust fund pursuant to section 8.55, subsection 2, paragraphs "b" and "c", and the amount to be transferred to the senior living trust fund pursuant to section 8.57, subsection 2, paragraph "d", shall be reduced by the distributions made to the fund and account in accordance with subparagraph (2). The amounts to be distributed to the senior living trust fund and the endowment for Iowa's health account in accordance with subparagraph (2) shall be reduced by any amounts transferred to the fund or account pursuant to section 8.55, subsection 2, paragraphs "b" and "c", or section 8.57, subsection 2, paragraph "d".

c. This subsection is repealed on July 1 following the fiscal year in which all amounts listed in paragraph "b" have been paid in full. The treasurer of state shall notify the Code editor when the amounts have been paid in full.

Sec. ___. Section 8.55, subsection 2, paragraphs b, c, and d, Code 2005, are amended to read as follows:

b. ~~Notwithstanding paragraph "a", any moneys in excess of the maximum balance in the economic emergency fund after the distribution of the surplus in the general fund of the state at the conclusion of the fiscal year beginning July 1, 2002, and subsequent fiscal years, shall not be transferred to the general fund of the state but shall be transferred to the endowment for Iowa's health account of the tobacco settlement trust fund. The amount transferred under this paragraph shall not exceed the difference between forty million dollars and the total amount transferred to the endowment for Iowa's health account pursuant to 2001 Iowa Acts, chapter 177, section 2, as amended by 2001 Iowa Acts, chapter 187, section 28, and previous~~

1 fund created in section 165.18, one million dollars.
2 (h) The alternative drainage system assistance
3 fund created in section 460.303, one million one
4 hundred thousand dollars.
5 (i) The property tax relief fund risk pool created
6 in section 426B.5, subsection 2, one million five
7 hundred thousand dollars.
8 (j) The title guaranty fund created in section
9 16.91, two million seven hundred thousand dollars.
10 (k) The waste tire management fund created in
11 section 455D.11C, four million six hundred thousand
12 dollars.
13 (l) The groundwater protection fund established in
14 section 455E.11, five million two hundred thousand
15 dollars.
16 (m) The state department of transportation to be
17 used for recreational trails projects, five million
18 five hundred thousand dollars.
19 (n) The strategic investment fund created in
20 section 15.313, three million dollars.
21 (o) The physical infrastructure assistance fund
22 created in section 15E.175, two million five hundred
23 thousand dollars.
24 (p) The value-added agricultural products and
25 processes financial assistance fund created in section
26 15E.112, seven hundred fifty thousand dollars.
27 (q) The school infrastructure fund created in
28 section 12.82, twenty-two million dollars.
29 (2) When the amounts listed in subparagraph (1)
30 have all been distributed, any remaining amounts of
31 the appropriation made in paragraph "a" shall be
32 annually distributed to the account and funds listed
33 in this subparagraph (2) until the full amounts listed
34 have been distributed. If the appropriation is
35 insufficient to fully fund all amounts listed or
36 remaining, the appropriation shall be prorated among
37 the account and funds based upon an amount's
38 proportion of the total amount to be distributed. The
39 distribution of the appropriation made in paragraph
40 "a" shall continue in succeeding fiscal years until
41 the entire amount listed for each account or fund in
42 this subparagraph (2) has been distributed. Moneys
43 distributed shall be used for the purposes of the
44 account or fund to which distributed:
45 (a) The endowment for Iowa's health account of the
46 tobacco settlement trust fund created pursuant to
47 section 12E.12, four hundred twenty-nine million one
48 hundred thousand dollars.
49 (b) The environment first fund created in section
50 8.57A, fifty-four million five hundred thousand

1 ~~fiscal years.~~
2 ~~e.~~ Notwithstanding paragraph "a", any moneys in
3 excess of the maximum balance in the economic
4 emergency fund after the distribution of the surplus
5 in the general fund of the state at the conclusion of
6 each fiscal year ~~and after the appropriate amount has~~
7 ~~been transferred pursuant to paragraph "b"~~, shall not
8 be transferred to the general fund of the state but
9 shall be transferred to the senior living trust fund.
10 The total amount transferred, in the aggregate, under
11 this paragraph, section 8.54, subsection 9, paragraph
12 "b", and section 8.57, subsection 2, paragraph "d",
13 for all fiscal years shall not exceed ~~one~~ four hundred
14 ~~eighteen~~ forty-six million dollars.
15 ~~d.~~ c. Notwithstanding paragraph "a", any moneys
16 in excess of the maximum balance in the economic
17 emergency fund after the distribution of the surplus
18 in the general fund of the state at the conclusion of
19 each fiscal year and after the appropriate amounts
20 have been transferred pursuant to ~~paragraphs~~ paragraph
21 "b" ~~and "e"~~ shall not be transferred to the general
22 fund of the state but shall be transferred to the
23 endowment for Iowa's health account of the tobacco
24 settlement trust fund. The total amount transferred,
25 in the aggregate, under this paragraph for all fiscal
26 years shall not exceed the difference between ~~one~~ four
27 hundred ~~thirty-one~~ twenty-nine million ~~five~~ one
28 hundred ~~thirty-six~~ thousand dollars and the amounts
29 transferred to the endowment for Iowa's health account
30 to repay the amounts transferred or appropriated from
31 the endowment for Iowa's health account in 2002 Iowa
32 Acts, chapter 1165, 2002 Iowa Acts, chapter 1166, 2002
33 Iowa Acts, chapter 1167, 2002 Iowa Acts, Second
34 Extraordinary Session, chapter 1003, 2003 Iowa Acts,
35 chapter 183, and 2004 Iowa Acts, chapter 1175, and the
36 amounts distributed to the endowment for Iowa's health
37 account pursuant to section 8.54, subsection 9,
38 paragraph "b".
39 Sec. ___. Section 8.57, subsection 2, paragraph d,
40 Code 2005, is amended to read as follows:
41 d. The aggregate amount of the appropriations to
42 be transferred from the Iowa economic emergency fund
43 to the senior living trust fund pursuant to section
44 8.55, subsection 2, paragraph ~~"e"~~ "b", shall be
45 reduced by the appropriations made pursuant to
46 paragraph "a" of this subsection and the amounts
47 distributed to the senior living trust fund pursuant
48 to section 8.54, subsection 9, paragraph "b".
49 Sec. ___. EFFECTIVE AND APPLICABILITY DATES. The
50 section of this division of this Act amending section

1 8.54, subsection 2, and the provision of the section
2 of this division of this Act enacting section 8.54,
3 subsection 8, take effect July 1, 2006, and are first
4 applicable to the state general fund expenditure
5 limitation established for the fiscal year beginning
6 July 1, 2007."
7 2. By renumbering as necessary.

**By** WISE of Lee
DANDEKAR of Linn
HUSER of Polk
HOGG of Linn
PETERSEN of Polk
REICHERT of Muscatine
WHITAKER of Van Buren
D. OLSON of Boone
MERTZ of Kossuth

**H-1610** FILED APRIL 29, 2005
LOST

## HOUSE FILE 882

**H-1612**
1 Amend the amendment, H-1581, to House File 882 as
2 follows:
3 1. Page 1, by striking lines 2 and 3 and
4 inserting the following:
5 "___. By striking page 26, line 20, through page
6 29, line 24 and inserting the following:
7 "Sec. ___. REPAYMENT OF MONEYS. A county that has
8 received moneys pursuant to section 331.605C for the
9 purpose of paying the costs related to a statewide
10 internet website and does not participate in the
11 county land record information system shall repay such
12 moneys to the treasurer of state.""
13 2. By renumbering as necessary.

**By** THOMAS of Clayton

**H-1612** FILED APRIL 29, 2005
WITHDRAWN

H-1614

# HOUSE FILE 882

1 Amend House File 882 as follows:
2 1. Page 14, by inserting after line 12 the
3 following:
4 "Sec. ___. Section 476C.1, subsection 6, paragraph
5 b, if enacted by 2005 Iowa Acts, Senate File 390,
6 section 7, is amended by adding the following new
7 subparagraph:
8 (8) A community college as defined in section
9 260C.2.
10 Sec. ___. Section 476C.1, subsection 6, paragraph
11 d, if enacted by 2005 Iowa Acts, Senate File 390,
12 section 7, is amended to read as follows:
13 d. Was initially placed into service on or after
14 ~~July~~ November 1, ~~2005~~ 2004, and before January 1,
15 2011."
16 2. Page 16, by inserting after line 16 the
17 following:
18 "Sec. ___. EFFECTIVE DATE. The sections of this
19 division of this Act amending section 476C.1, if
20 enacted, being deemed of immediate importance, take
21 effect upon enactment and are applicable beginning on
22 the enactment date of 2005 Iowa Acts, Senate File 390,
23 if enacted."
24 3. By renumbering as necessary.

**By** FREVERT of Palo Alto
KUHN of Floyd

**H-1614** FILED APRIL 29, 2005
NOT GERMANE

## HOUSE FILE 882

**H-1615**

1 Amend the amendment, H-1603, to House File 882 as
2 follows:
3 1. Page 1, by inserting before line 1 the
4 following:
5 "___. Page 2, line 10, by striking the figure
6 "11,271,000" and inserting the following:
7 "29,971,000".
8 ___. Page 2, by striking lines 11 through 13, and
9 inserting the following:
10 "The amount appropriated under section 279.51,
11 subsection 1, pursuant to this subsection, is
12 allocated for purposes of the grants awarded by the
13 child development coordinating council and other
14 council duties as provided in section 279.51,
15 subsection 1, paragraph "b"."
16 2. Page 2, line 33, by striking the figure
17 "67,618,894" and inserting the following:
18 "92,683,894".
19 3. Page 3, line 31, by striking the figure
20 "14,969,288" and inserting the following:
21 "40,000,000".
22 4. Page 3, by striking lines 34 through 43 and
23 inserting the following: "enacted, is amended by
24 striking the subparagraph."

**By** KUHN of Floyd
KRESSIG of Black Hawk
LENSING of Johnson
MASCHER of Johnson
OLDSON of Polk
WENDT of Woodbury
WESSEL-KROESCHELL of Story
WINCKLER of Scott

**H-1615** FILED APRIL 29, 2005
LOST

## HOUSE FILE 882

**H-1616**

1 Amend the amendment, H-1603, to House File 882 as
2 follows:
3 1. Page 3, by striking lines 32 through 44 and
4 inserting the following:
5 "Sec. ___. 2005 Iowa Acts, House File 816, section
6 10, subsection 1, paragraph f, if enacted, is amended
7 by adding the following new subparagraph:
8 NEW SUBPARAGRAPH. (1A) The first $1,000,000 shall
9 be distributed by the state board of regents to
10 provide stipends for regents university graduate
11 students providing research for the Trans Ova project
12 located in northwest Iowa and the remainder shall be
13 distributed as provided in subparagraph (2).
14 Sec. ___. 2005 Iowa Acts, House File 816, section
15 10, subsection 1, paragraph f, subparagraph (6), if
16 enacted, is amended by striking the subparagraph."
17 2. By renumbering as necessary.

**By** THOMAS of Clayton

**H-1616** FILED APRIL 29, 2005
LOST

**HOUSE FILE 882**

**H-1617**

1 Amend the amendment, H-1581, to House File 882 as
2 follows:
3 1. Page 1, by striking lines 2 and 3, and
4 inserting the following:
5 "___. By striking page 26, line 20, through page
6 29, line 24 and inserting the following:
7 "Sec. ___. FEES. County recorders shall collect
8 only statutorily authorized fees for land records
9 management. County recorders shall not collect fees
10 for viewing, accessing, or printing electronic land
11 management documents until authorized by the general
12 assembly.""
13 2. By renumbering as necessary.

**By** WINCKLER of Scott

**H-1617** FILED APRIL 29, 2005
ADOPTED

**HOUSE FILE 882**

**H-1618**

1 Amend House File 882 as follows:
2 1. Page 7, by striking line 33 and inserting the
3 following:
4 "Sec. ___. Section 292.4, Code 2005, is amended to
5 read as follows:
6 292.4 APPROPRIATION.
7 There is appropriated from the general fund of the
8 state from moneys credited to the general fund of the
9 state as a result of the state entering into the
10 streamlined sales and use tax agreement to the secure
11 an advanced vision for education fund created in
12 section 423E.4, the sum of five million dollars for
13 each fiscal year of the fiscal period beginning July
14 1, 2004, and ending June 30, 2014. ~~The appropriation~~
15 ~~in this section shall be made after the appropriation~~
16 ~~from the same source to the grow Iowa values fund~~
17 ~~created in section 15G.108.~~ For purposes of this
18 section, "moneys credited to the general fund of the
19 state as a result of entering into the streamlined
20 sales and use tax agreement" means the amount of sales
21 and use tax receipts credited to the general fund of
22 the state during a fiscal year that exceeds by two
23 percent or more the total sales and use tax receipts
24 credited to the general fund of the state during the
25 previous fiscal year, based upon the latest estimate
26 for the amount of sales and use tax receipts issued
27 during the fiscal year by the revenue estimating
28 conference."
29 2. Page 7, line 35, by striking the word
30 "repealing" and inserting the following: "amending".

**By** WINCKLER of Scott
WENDT of Woodbury
OLDSON of Polk
FREVERT of Palo Alto
DAVITT of Warren

**H-1618** FILED APRIL 29, 2005
LOST

H-1619

Amend House File 882 as follows:

1. Page 40, by inserting after line 15, the following:

"DIVISION

RENEWABLE ENERGY TAX CREDIT

Sec. ___. Section 422.11J, Code 2005, is amended to read as follows:

422.11J ~~WIND ENERGY PRODUCTION~~ TAX ~~CREDIT~~ CREDITS FOR WIND ENERGY PRODUCTION AND RENEWABLE ENERGY.

The taxes imposed under this division, less the credits allowed under sections 422.12 and 422.12B, shall be reduced by ~~a wind energy production~~ tax ~~credit~~ credits for wind energy production allowed under chapter 476B and for renewable energy allowed under chapter 476C.

Sec. ___. Section 422.33, subsection 16, Code 2005, is amended to read as follows:

16. The taxes imposed under this division shall be reduced by ~~a wind energy production~~ tax ~~credit~~ credits for wind energy production allowed under chapter 476B and for renewable energy allowed under chapter 476C.

Sec. ___. Section 422.60, subsection 8, Code 2005, is amended to read as follows:

8. The taxes imposed under this division shall be reduced by ~~a wind energy production~~ tax ~~credit~~ credits for wind energy production allowed under chapter 476B and for renewable energy allowed under chapter 476C.

Sec. ___. Section 423.4, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 4. A person in possession of a renewable energy tax credit certificate issued pursuant to chapter 476C may apply to the director for refund of the amount of sales or use tax imposed and paid upon purchases made by the applicant.

a. The refunds may be obtained only in the following manner and under the following conditions:

(1) On forms furnished by the department and filed by January 31 after the end of the calendar year in which the tax credit certificate is to be applied, the applicant shall report to the department the total amount of sales and use tax paid during the reporting period on purchases made by the applicant.

(2) The applicant shall separately list the amounts of sales and use tax paid during the reporting period.

(3) If required by the department, the applicant shall prove that the person making the sales has included the amount thereof in the computation of the sales price of such person and that such person has paid the tax levied by this subchapter or subchapter

III, based upon such computation of the sales price.

(4) The applicant shall provide the tax credit certificates issued pursuant to chapter 476C to the department with the forms required by this paragraph "a".

b. If satisfied that the foregoing conditions and requirements have been complied with, the director shall refund the amount claimed by the applicant for an amount not greater than the amount of tax credits issued in tax credit certificates pursuant to chapter 476C.

Sec. ___. Section 432.12E, Code 2005, is amended to read as follows:

432.12E ~~WIND ENERGY PRODUCTION~~ TAX ~~CREDIT~~ CREDITS FOR WIND ENERGY PRODUCTION AND RENEWABLE ENERGY.

The taxes imposed under this chapter shall be reduced by ~~a wind energy production~~ tax ~~credit~~ credits for wind energy production allowed under chapter 476B and for renewable energy allowed under chapter 476C.

Sec. ___. NEW SECTION. 437A.17B REIMBURSEMENT FOR RENEWABLE ENERGY.

A person in possession of a renewable energy tax credit certificate issued pursuant to chapter 476C may apply to the director for a reimbursement of the amount of taxes imposed and paid by the person pursuant to this chapter in an amount not more than the person received in renewable energy tax credit certificates pursuant to chapter 476C. To obtain the reimbursement, the person shall attach to the return required under section 437A.8 the renewable energy tax credit certificates issued to the person pursuant to chapter 476C, and provide any other information the director may require. The director shall direct a warrant to be issued to the person for an amount equal to the tax imposed and paid by the person pursuant to this chapter but for not more than the amount of the renewable energy tax credit certificates attached to the return.

Sec. ___. NEW SECTION. 476C.1 DEFINITIONS.

For purposes of this chapter, unless the context otherwise requires:

1. "Anaerobic digester system" means a system of components that processes plant or animal materials based on the absence of oxygen and produces methane or other biogas used to generate electricity, hydrogen fuel, or heat for a commercial purpose.

2. "Biogas recovery facility" means an anaerobic digester system that is located in this state.

3. "Biomass conversion facility" means a facility in this state that converts plant-derived organic

1 matter including, but not limited to, agricultural
2 food and feed crops, crop wastes and residues, wood
3 wastes and residues, or aquatic plants to generate
4 electricity, hydrogen fuel, or heat for a commercial
5 purpose.
6 4. "Board" means the utilities board within the
7 utilities division of the department of commerce.
8 5. "Department" means the department of revenue.
9 6. "Eligible renewable energy facility" means a
10 wind energy conversion facility, a biogas recovery
11 facility, a biomass conversion facility, a methane gas
12 recovery facility, or a solar energy conversion
13 facility that meets all of the following requirements:
14 a. Is located in this state.
15 b. Is at least fifty-one percent owned by one or
16 more of any combination of the following:
17 (1) A resident of this state.
18 (2) Any of the following as defined in section
19 9H.1:
20 (a) An authorized farm corporation.
21 (b) An authorized limited liability company.
22 (c) An authorized trust.
23 (d) A family farm corporation.
24 (e) A family farm limited liability company.
25 (f) A family trust.
26 (g) A revocable trust.
27 (h) A testamentary trust.
28 (3) A small business as defined in section 15.102.
29 (4) An electric cooperative association organized
30 pursuant to chapter 499 that sells electricity to end
31 users located in this state.
32 (5) An electric cooperative association that has
33 one or more members organized pursuant to chapter 499.
34 (6) A cooperative corporation organized pursuant
35 to chapter 497 or a limited liability corporation
36 organized pursuant to chapter 490A whose shares and
37 membership are held by an entity that is not
38 prohibited from owning agricultural land under chapter
39 9H.
40 (7) A school district located in this state.
41 c. Has at least one owner that meets the
42 requirements of paragraph "b" for each two and one-
43 half megawatts of nameplate generating capacity or the
44 energy production capacity equivalent for hydrogen
45 fuel or heat for a commercial purpose of the otherwise
46 eligible renewable energy facility.
47 d. Was initially placed into service on or after
48 July 1, 2005, and before January 1, 2011.
49 7. "Energy production capacity equivalent" means
50 the amount of energy in a standard cubic foot of

1 hydrogen gas or the number of British thermal units
2 that are equal to the energy in a kilowatt-hour of
3 electricity. For the purposes of this chapter, one
4 kilowatt-hour shall be deemed equivalent to three
5 thousand three hundred thirty-three British thermal
6 units of heat or ten and forty-five one hundredths of
7 standard cubic feet of hydrogen gas.
8 8. "Heat for a commercial purpose" means the heat
9 in British thermal unit equivalents from methane or
10 other biogas produced in this state sold to a
11 purchaser of renewable energy for use for a commercial
12 purpose.
13 9. "Hydrogen fuel" means hydrogen produced in this
14 state from a renewable source that is used in a fuel
15 cell or hydrogen-powered internal combustion engine.
16 10. "Methane gas recovery facility" means a
17 facility in this state which is used in connection
18 with a sanitary landfill or which uses wastes that
19 would otherwise be deposited in a sanitary landfill,
20 that collects methane gas or other gases and converts
21 the gas into energy to generate electricity, hydrogen
22 fuel, or heat for a commercial purpose.
23 11. "Producer of renewable energy" means a person
24 who owns an eligible renewable energy facility.
25 12. "Purchaser of renewable energy" means a person
26 who buys electric energy, hydrogen fuel, methane gas
27 or other biogas used to generate electricity, or heat
28 for a commercial purpose from an eligible renewable
29 energy facility.
30 13. "Solar energy conversion facility" means a
31 solar energy facility in this state that collects and
32 converts incident solar radiation into energy to
33 generate electricity.
34 14. "Wind energy conversion facility" means a wind
35 energy conversion system in this state that collects
36 and converts wind into energy to generate electricity.
37 Sec. ___. NEW SECTION. 476C.2 TAX CREDIT AMOUNT
38 -- LIMITATIONS.
39 1. A producer or purchaser of renewable energy may
40 receive renewable energy tax credits under this
41 chapter in an amount equal to one and one-half cents
42 per kilowatt-hour of electricity, or four dollars and
43 fifty cents per million British thermal units of heat
44 for a commercial purpose, or four dollars and fifty
45 cents per million British thermal units of methane gas
46 or other biogas used to generate electricity, or one
47 dollar and forty-four cents per one thousand standard
48 cubic feet of hydrogen fuel generated by and purchased
49 from an eligible renewable energy facility.
50 2. The renewable energy tax credit shall not be

1 allowed for any kilowatt-hour of electricity, British
2 thermal unit of heat for a commercial purpose, British
3 thermal unit of methane gas or other biogas used to
4 generate electricity, or standard cubic foot of
5 hydrogen fuel that is purchased from an eligible
6 renewable energy facility by a related person. For
7 purposes of this subsection, persons shall be treated
8 as related to each other if either person owns an
9 eighty percent or more equity interest in the other
10 person.
11 Sec. ___. NEW SECTION. 476C.3 DETERMINATION OF
12 ELIGIBILITY.
13 1. A producer or purchaser of renewable energy may
14 apply to the board for a written determination
15 regarding whether a facility is an eligible renewable
16 energy facility by submitting to the board a written
17 application containing all of the following:
18 a. Information regarding the ownership of the
19 facility including the percentage of equity interest
20 held by each owner.
21 b. The nameplate generating capacity of the
22 facility or energy production capacity equivalent.
23 c. Information regarding the facility's initial
24 placement in service.
25 d. Information regarding the type of facility and
26 what type of renewable energy the facility will
27 produce.
28 e. A copy of the power purchase agreement or other
29 agreement to purchase electricity, hydrogen fuel,
30 methane or other biogas, or heat for a commercial
31 purpose which shall designate either the producer or
32 purchaser of renewable energy as eligible to apply for
33 the renewable energy tax credit.
34 f. Any other information the board may require.
35 2. The board shall review the application and
36 supporting information and shall make a preliminary
37 determination regarding whether the facility is an
38 eligible renewable energy facility. The board shall
39 notify the applicant of the approval or denial of the
40 application within thirty days of receipt of the
41 application and information required. If the board
42 fails to notify the applicant of the approval or
43 denial within thirty days, the application shall be
44 deemed denied. An applicant who receives a
45 determination denying an application may file an
46 appeal with the board within thirty days from the date
47 of the denial pursuant to the provisions of chapter
48 17A. In the absence of a timely appeal, the
49 preliminary determination shall be final. If the
50 application is incomplete, the board may grant an

1 extension of time for the provision of additional
2 information.
3 3. A facility that is not operational within
4 eighteen months after issuance of an approval for the
5 facility by the board shall cease to be an eligible
6 renewable energy facility. A facility that is granted
7 and thereafter loses approval may reapply to the board
8 for a new determination.
9 4. The maximum amount of nameplate generating
10 capacity of all wind energy conversion facilities the
11 board may find eligible under this chapter shall not
12 exceed ninety megawatts of nameplate generating
13 capacity. The maximum amount of energy production
14 capacity equivalent of all other facilities the board
15 may find eligible under this chapter shall not exceed
16 a combined output of ten megawatts of nameplate
17 generating capacity.
18 5. An owner meeting the requirements of section
19 476C.1, subsection 6, paragraph "b" shall not be an
20 owner of more than two eligible renewable energy
21 facilities.
22 Sec. ___. NEW SECTION. 476C.4 TAX CREDIT
23 CERTIFICATE PROCEDURE.
24 1. A producer or purchaser of renewable energy may
25 apply to the board for the renewable energy tax credit
26 by submitting to the board all of the following:
27 a. A completed application in a form prescribed by
28 the board.
29 b. A copy of the determination granting approval
30 of the facility as an eligible renewable energy
31 facility by the board.
32 c. A copy of a signed power purchase agreement or
33 other agreement to purchase electricity, hydrogen
34 fuel, methane or other biogas, or heat for a
35 commercial purpose from an eligible renewable energy
36 facility which shall designate either the producer or
37 purchaser of renewable energy as eligible to apply for
38 the renewable energy tax credit.
39 d. Sufficient documentation that the electricity,
40 heat for a commercial purpose, methane gas or other
41 biogas, or hydrogen fuel has been generated by the
42 eligible renewable energy facility and sold to the
43 purchaser of renewable energy.
44 e. Any other information the board deems
45 necessary.
46 2. The board shall notify the department of the
47 amount of kilowatt-hours, British thermal units of
48 heat for a commercial purpose, British thermal units
49 of methane gas or other biogas used to generate
50 electricity, or standard cubic feet of hydrogen fuel

1 generated and purchased from an eligible renewable
2 energy facility. The department shall calculate the
3 amount of the tax credit for which the applicant is
4 eligible and shall issue the tax credit certificate
5 for that amount or notify the applicant in writing of
6 its refusal to do so. An applicant whose application
7 is denied may file an appeal with the department
8 within sixty days from the date of the denial pursuant
9 to the provisions of chapter 17A.
10 3. Each tax credit certificate shall contain the
11 person's name, address, and tax identification number,
12 the amount of tax credits, the first taxable year the
13 certificate may be used, the type of tax to which the
14 tax credits shall be applied, and any other
15 information required by the department. The tax
16 credit certificate shall only list one type of tax to
17 which the amount of the tax credit may be applied.
18 Once issued by the department, the tax credit
19 certificate shall not be terminated or rescinded.
20 4. If the tax credit application is filed by a
21 partnership, limited liability company, S corporation,
22 estate, trust, or other reporting entity all of the
23 income of which is taxed directly to its equity
24 holders or beneficiaries, for the taxes imposed under
25 chapter 422, division II or III, the tax credit
26 certificate shall be issued directly to equity holders
27 or beneficiaries of the applicant in proportion to
28 their pro rata share of the income of such entity.
29 The applicant shall, in the application made under
30 this section, identify its equity holders or
31 beneficiaries, and the percentage of such entity's
32 income that is allocable to each equity holder or
33 beneficiary. If the tax credit application is filed
34 by a partnership, limited liability company, S
35 corporation, estate, trust, or other reporting entity,
36 all of whose income is taxed directly to its equity
37 holders or beneficiaries for the taxes imposed under
38 chapter 422, division V, or under chapter 423, 432, or
39 437A, the tax credit certificate shall be issued
40 directly to the partnership, limited liability
41 company, S corporation, estate, trust, or other
42 reporting entity.
43 5. The department shall not issue a tax credit
44 certificate if the facility approved by the board as
45 an eligible renewable energy facility is not
46 operational within eighteen months after the approval
47 is issued.
48 6. The department shall not issue a tax credit
49 certificate to any person who has received a tax
50 credit pursuant to chapter 476B.

1 7. Once a tax credit certificate is issued
2 pursuant to this section, the tax credit may only be
3 claimed against the type of tax reflected on the
4 certificate.
5 Sec. ___. NEW SECTION. 476C.5 CERTIFICATE
6 ISSUANCE PERIOD.
7 A producer or purchaser of renewable energy may
8 receive renewable energy tax credit certificates for a
9 ten-year period for each eligible renewable energy
10 facility under this chapter. The ten-year period for
11 issuance of the tax credit certificates begins with
12 the date the purchaser of renewable energy first
13 purchases electricity, hydrogen fuel, methane gas or
14 other biogas used to generate electricity, or heat for
15 commercial purposes from the eligible renewable energy
16 facility for which a tax credit is issued under this
17 chapter. Renewable energy tax credit certificates
18 shall not be issued for renewable energy purchased
19 after December 31, 2020.
20 Sec. ___. NEW SECTION. 476C.6 TRANSFERABILITY
21 AND USE OF TAX CREDIT CERTIFICATES -- REGISTRATION.
22 1. Renewable energy tax credit certificates issued
23 under this chapter may be transferred to any person.
24 A tax credit certificate shall only be transferred
25 once. However, for purposes of this transfer
26 provision, a decision between a producer and purchaser
27 of renewable energy regarding who claims the tax
28 credit issued pursuant to this chapter shall not be
29 considered a transfer and must be set forth in the
30 application for the tax credit pursuant to section
31 476C.4. Within thirty days of transfer, the
32 transferee must submit the transferred tax credit
33 certificate to the department along with a statement
34 containing the transferee's name, tax identification
35 number, and address, and the denomination that each
36 new certificate is to carry and any other information
37 required by the department. Within thirty days of
38 receiving the transferred tax credit certificate and
39 the transferee's statement, the department shall issue
40 one or more replacement tax credit certificates to the
41 transferee. Each replacement tax credit certificate
42 must contain the information required under section
43 476C.4, subsection 3, and must have the same effective
44 taxable year and the same expiration date that
45 appeared in the transferred tax credit certificate.
46 Tax credit certificate amounts of less than the
47 minimum amount established by rule shall not be
48 transferable. A tax credit shall not be claimed by a
49 transferee under this chapter until a replacement tax
50 credit certificate identifying the transferee as the

1 proper holder has been issued. The replacement tax
2 credit certificate may reflect a different type of tax
3 than the type of tax noted on the original tax credit
4 certificate.
5 The transferee may use the amount of the tax credit
6 transferred against taxes imposed under chapter 422,
7 divisions II, III, and V, and chapter 432 for any tax
8 year the original transferor could have claimed the
9 tax credit. The transferee may claim a refund under
10 chapter 423 or 437A for any tax year within the time
11 period set forth in section 423.47 or 437A.14 for
12 which the original transferor could have claimed the
13 refund. Any consideration received for the transfer
14 of the tax credit shall not be included as income
15 under chapter 422, divisions II, III, and V. Any
16 consideration paid for the transfer of the tax credit
17 shall not be deducted from income under chapter 422,
18 divisions II, III, and V.
19 2. To claim a renewable energy tax credit under
20 this chapter, a taxpayer must attach one or more tax
21 credit certificates to the taxpayer's tax return, or
22 if used against taxes imposed under chapter 423, the
23 taxpayer shall comply with section 423.4, or if used
24 against taxes imposed under chapter 437A, the taxpayer
25 shall comply with section 437A.17B, subsection 4. A
26 tax credit certificate shall not be used or attached
27 to a return filed for a taxable year beginning prior
28 to July 1, 2006. The tax credit certificate or
29 certificates attached to the taxpayer's tax return
30 shall be issued in the taxpayer's name, expire on or
31 after the last day of the taxable year for which the
32 taxpayer is claiming the tax credit, and show a tax
33 credit amount equal to or greater than the tax credit
34 claimed on the taxpayer's tax return. Any tax credit
35 in excess of the taxpayer's tax liability for the
36 taxable year may be credited to the taxpayer's tax
37 liability for the following seven tax years or until
38 the credit is depleted, whichever is earlier. If the
39 tax credit is applied against the taxes imposed under
40 chapter 423 or 437A, any credit in excess of the
41 taxpayer's tax liability is carried over and can be
42 filed with the refund claim for the following seven
43 tax years or until depleted, whichever is earlier.
44 However, the certificate shall not be used to reduce
45 tax liability for a tax period ending after the
46 expiration date of the certificate.
47 3. The department shall develop a system for the
48 registration of the renewable energy tax credit
49 certificates issued or transferred under this chapter
50 and a system that permits verification that any tax

1 credit claimed on a tax return is valid and that
2 transfers of the tax credit certificates are made in
3 accordance with the requirements of this chapter. The
4 tax credit certificates issued under this chapter
5 shall not be classified as a security pursuant to
6 chapter 502.
7 Sec. ___. NEW SECTION. 476C.7 RULES.
8 The department and the board may adopt rules
9 pursuant to chapter 17A for the administration and
10 enforcement of this chapter.
11 Sec. ___. EFFECTIVE DATE. This division of this
12 Act, being deemed of immediate importance, takes
13 effect upon enactment."
14 2. Title page, line 2, by inserting after the
15 word "fees" the following: "and tax credits".
16 3. By renumbering as necessary.

**By** SHOULTZ of Black Hawk

**H-1619** FILED APRIL 29, 2005
WITHDRAWN

**HOUSE FILE 882**

**H-1620**
1 Amend House File 882 as follows:
2 1. Page 11, by striking lines 30 through 34.
3 2. By renumbering as necessary.

**By** MURPHY of Dubuque

**H-1620** FILED APRIL 29, 2005
LOST

**HOUSE FILE 882**

**H-1621**
1 Amend House File 882 as follows:
2 1. Page 2, line 16, by striking the figure
3 "8,273,763" and inserting the following: "0".
4 2. Page 2, by striking lines 17 through 20.

**By** MURPHY of Dubuque

**H-1621** FILED APRIL 29, 2005
LOST

**H-1622** **HOUSE FILE 882**

1 Amend House File 882 as follows:
2 1. Page 12, by inserting after line 2 the
3 following:
4 "Sec. ___. NEW SECTION. 327F.21 RAILROAD WORKER
5 WALKWAYS.
6 1. The state department of transportation shall
7 adopt rules requiring the provision of safe walkways
8 for railroad workers in areas where work is regularly
9 performed on the ground. The rules shall provide, at
10 a minimum, that any railroad walkway have a reasonably
11 uniform surface, be maintained in a safe condition,
12 and be reasonably free of obstacles, debris, and other
13 hazards.
14 2. Violation of a rule adopted under this section
15 is, upon conviction, subject to a schedule "one"
16 penalty as provided under section 327C.5."
17 2. By renumbering as necessary.

**H-1622** FILED APRIL 29, 2005 **By** SMITH of Marshall
NOT GERMANE

HOUSE FILE 882
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO LSB 1588HA)

(As Amended and Passed by the House April 29, 2005)

Re- Passed House, Date 5-20-05 Passed Senate, Date 5-6-05
Vote: Ayes 96 Nays 2 Vote: Ayes 39 Nays 9
Approved _____ Re-passed 5-20-05 40-8

## A BILL FOR

1 An Act making, reducing, and transferring appropriations,
2 providing for fees, and providing for properly related matters
3 and including effective and retroactive applicability date
4 provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6
7 House Amendments _____
8 Deleted Language *
9
10
11
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21

TLSB 1588HV 81
mg/cf/24

S.F. _____ H.F. 882

1 DIVISION I
2 MH/MR/DD ALLOWED GROWTH FUNDING
3 Section 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
4 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS
5 -- FISCAL YEAR 2006-2007.
6 1. There is appropriated from the general fund of the
7 state to the department of human services for the fiscal year
8 beginning July 1, 2006, and ending June 30, 2007, the
9 following amount, or so much thereof as is necessary, to be
10 used for the purpose designated:
11 For distribution to counties of the county mental health,
12 mental retardation, and developmental disabilities allowed
13 growth factor adjustment, as provided in this section in lieu
14 of the provisions of section 331.438, subsection 2, and
15 section 331.439, subsection 3, and chapter 426B:
16 ..... $ 35,788,041
17 2. The funding appropriated in this section is the allowed
18 growth factor adjustment for fiscal year 2006-2007, and is
19 allocated as follows:
20 a. For distribution to counties for fiscal year 2005-2006
21 in accordance with the formula in section 331.438, subsection
22 2, paragraph "b":
23 ..... $ 12,000,000
24 b. For deposit in the per capita expenditure target pool
25 created in the property tax relief fund and for distribution
26 in accordance with section 426B.5, subsection 1:
27 ..... $ 19,361,148
28 c. For deposit in the risk pool created in the property
29 tax relief fund and for distribution in accordance with
30 section 426B.5, subsection 2:
31 ..... $ 2,000,000
32 d. For distribution to counties as cost share for county
33 coverage of services to adult persons with brain injury in
34 accordance with the law enacted as a result of the provisions
35 of 2005 Iowa Acts, House File 876, or other law providing for

1 such coverage to commence in the fiscal year beginning July 1,
2 2006:
3 ..... $ 2,426,893
4 DIVISION II
5 STANDING APPROPRIATIONS
6 Sec. 2. Notwithstanding the standing appropriations in the
7 following designated sections for the fiscal year beginning
8 July 1, 2005, and ending June 30, 2006, the amounts
9 appropriated from the general fund of the state pursuant to
10 those sections for the following designated purposes shall not
11 exceed the following amounts:
12 1. For instructional support state aid under section
13 257.20:
14 ..... $ 14,428,271
15 2. For at-risk children programs under section 279.51,
16 subsection 1:
17 ..... $ 11,271,000
18 The amount of any reduction in this subsection shall be
19 prorated among the programs specified in section 279.51,
20 subsection 1, paragraphs "a", "b", and "c".
21 3. For payment for nonpublic school transportation under
22 section 285.2:
23 ..... $ 8,273,763
24 If total approved claims for reimbursement for nonpublic
25 school pupil transportation claims exceed the amount
26 appropriated in this section, the department of education
27 shall prorate the amount of each claim.
28 4. For the educational excellence program under section
29 294A.25, subsection 1:
30 ..... $ 55,469,053
31 5. For the state's share of the cost of the peace
32 officers' retirement benefits under section 411.20:
33 ..... $ 2,745,784
34 6. For payment of livestock production tax credit refunds
35 under section 422.121:

1 ..... $ 1,770,342
2 Sec. 3. PROPERTY TAX CREDIT FUND -- PAYMENTS IN LIEU OF
3 GENERAL FUND REIMBURSEMENT.
4 1. Notwithstanding section 8.57, prior to the
5 appropriation and distribution to the cash reserve fund of the
6 surplus existing in the general fund of the state at the
7 conclusion of the fiscal year beginning July 1, 2004, and
8 ending June 30, 2005, pursuant to section 8.57, subsection 1,
9 of that surplus, $159,663,964 is appropriated to the property
10 tax credit fund which shall be created in the office of the
11 treasurer of state to be used for the purposes of this
12 section.
13 2. Notwithstanding the amount of the standing
14 appropriation from the general fund of the state in the
15 following designated sections and notwithstanding any
16 conflicting provisions or voting requirements of section 8.56,
17 there is appropriated from the property tax credit fund in
18 lieu of the appropriations in the following designated
19 sections for the fiscal year beginning July 1, 2005, and
20 ending June 30, 2006, the following amounts for the following
21 designated purposes:
22 a. For reimbursement for the homestead property tax credit
23 under section 425.1:
24 ..... $102,945,379
25 b. For reimbursement for the agricultural land and family
26 farm tax credits under sections 425A.1 and 426.1:
27 ..... $ 34,610,183
28 c. For reimbursement for the military service tax credit
29 under section 426A.1A:
30 ..... $ 2,568,402
31 d. For implementing the elderly and disabled tax credit
32 and reimbursement pursuant to sections 425.16 through 425.40:
33 ..... $ 19,540,000
34 If the director determines that the amount of claims for
35 credit for property taxes due plus the amount of claims for

1 reimbursement for rent constituting property taxes paid which
2 are to be paid during the fiscal year may exceed the amount
3 appropriated, the director shall estimate the percentage of
4 the credits and reimbursements which will be funded by the
5 appropriation. The county treasurer shall notify the director
6 of the amount of property tax credits claimed by June 8. The
7 director shall estimate the percentage of the property tax
8 credit and rent reimbursement claims that will be funded by
9 the appropriation and notify the county treasurer of the
10 percentage estimate by June 15. The estimated percentage
11 shall be used in computing for each claim the amount of
12 property tax credit and reimbursement for rent constituting
13 property taxes paid for that fiscal year. If the director
14 overestimates the percentage of funding, claims for
15 reimbursement for rent constituting property taxes paid shall
16 be paid until they can no longer be paid at the estimated
17 percentage of funding. Rent reimbursement claims filed after
18 that point in time shall receive priority and shall be paid in
19 the following fiscal year. If the director underestimates the
20 percentage of funding, the overage shall remain in the fund
21 established in section 425.39 for payments to be made in the
22 next fiscal year.
23 Sec. 4. Section 257.35, subsection 4, Code 2005, is
24 amended to read as follows:
25 4. Notwithstanding subsection 1, and in addition to the
26 reduction applicable pursuant to subsection 2, the state aid
27 for area education agencies and the portion of the combined
28 district cost calculated for these agencies for the fiscal
29 year beginning July 1, ~~2004~~ 2005, shall be reduced by the
30 department of management by eleven million seven hundred
31 ninety-eight thousand seven hundred three dollars. The
32 reduction for each area education agency shall be equal to the
33 reduction that the agency received in the fiscal year
34 beginning July 1, 2003.
35 Sec. 5. CASH RESERVE APPROPRIATION FOR FY 2005-2006. For

1 the fiscal year beginning July 1, 2005, and ending June 30,
2 2006, the appropriation to the cash reserve fund provided in
3 section 8.57, subsection 1, paragraph "a", shall not be made.
4 However, any surplus in the general fund of the state for the
5 fiscal year beginning July 1, 2005, and ending June 30, 2006,
6 shall be transferred to the cash reserve fund.
7 Sec. 6. EFFECTIVE DATE. The section of this division of
8 this Act creating the property tax credit fund, being deemed
9 of immediate importance, takes effect upon enactment.
10 DIVISION III
11 OTHER APPROPRIATIONS
12 Sec. 7. PKU ASSISTANCE. There is appropriated from the
13 general fund of the state to the department of public health
14 for the fiscal year beginning July 1, 2005, and ending June
15 30, 2006, the following amount, or so much thereof as is
16 necessary, to be used for the purpose designated:
17 For providing grants to individual patients who have
18 phenylketonuria (PKU) to assist with the costs of special food
19 needed:
20 ..... $ 100,000
21 Sec. 8. ARCHIVE GOVERNORS' RECORDS. There is appropriated
22 from the general fund of the state to the department of
23 cultural affairs for the fiscal year beginning July 1, 2005,
24 and ending June 30, 2006, the following amount, or so much
25 thereof as is necessary, to be used for the purpose
26 designated:
27 To match private funding for archiving the records of Iowa
28 governors:
29 ..... $ 75,000
30 Sec. 9. CIVIL AIR PATROL. There is appropriated from the
31 general fund of the state to the state department of
32 transportation for the fiscal year beginning July 1, 2005, and
33 ending June 30, 2006, the following amount, or so much thereof
34 as is necessary, to be used for the purpose designated:
35 For the Iowa civil air patrol:

1 ..... $ 125,000
2 Sec. 10. BIENNIAL REPORTING. There is appropriated from
3 the general fund of the state to the secretary of state for
4 the fiscal year beginning July 1, 2005, and ending June 30,
5 2006, the following amount, or so much thereof as is
6 necessary, to be used for the purpose designated:
7 For administering the biennial reporting requirements for
8 limited liability companies as required in section 490A.131,
9 if enacted by 2005 Iowa Acts, House File 859:
10 ..... $ 275,000
11 Sec. 11. SCHOOL SHARING AND EFFICIENCIES. There is
12 appropriated from the general fund of the state to the
13 department of education for the fiscal year beginning July 1,
14 2005, and ending June 30, 2006, the following amount, or so
15 much thereof as is necessary, to be used for the purpose
16 designated:
17 For implementation of 2005 Iowa Acts, House File 873, if
18 enacted:
19 ..... $ 200,000
20 Sec. 12. 2005 Iowa Acts, House File 809, section 2,
21 subsection 1, paragraph a, if enacted, is amended to read as
22 follows:
23 a. General administration
24 For salaries, support, maintenance, miscellaneous purposes,
25 programs, for the transfer to the Iowa state commission grant
26 program, and for not more than the following full-time
27 equivalent positions:
28 ..... $ ~~1,956,332~~
29 1,841,332
30 ..... FTEs 28.75
31 Sec. 13. 2005 Iowa Acts, House File 809, section 2,
32 subsection 4, if enacted, is amended to read as follows:
33 4. For allocating moneys for the world food prize:
34 ..... $ ~~285,000~~
35 400,000

1 Sec. 14. 2005 Iowa Acts, House File 810, section 7,
2 subsection 2, if enacted, is amended to read as follows:
3 2. BANKING DIVISION
4 For salaries, support, maintenance, and miscellaneous
5 purposes, and for not more than the following full-time
6 equivalent positions:
7 ..... $ ~~6,583,545~~
8 6,793,223
9 ..... FTEs ~~69.00~~
10 71.00
11 Sec. 15. 2005 Iowa Acts, House File 810, section 7,
12 subsection 5, if enacted, is amended to read as follows:
13 5. PROFESSIONAL LICENSING AND REGULATION DIVISION
14 For salaries, support, maintenance, and miscellaneous
15 purposes, and for not more than the following full-time
16 equivalent positions:
17 ..... $ ~~782,671~~
18 836,921
19 ..... FTEs ~~12.00~~
20 12.75
21 Sec. 16. 2005 Iowa Acts, House File 816, section 5,
22 subsection 10, unnumbered paragraph 1, if enacted, is amended
23 to read as follows:
24 For deposit in the school ready children grants account of
25 the Iowa empowerment fund created in section 28.9:
26 ..... $ ~~22,481,594~~
27 21,481,594
28 Sec. 17. 2005 Iowa Acts, House File 816, section 5,
29 subsection 10, paragraph d, if enacted, is amended to read as
30 follows:
31 d. Of the amount appropriated in this subsection for
32 deposit in the school ready children grants account of the
33 Iowa empowerment fund, ~~$1,000,000~~ $500,000 shall be allocated
34 to a collaborative effort between the Iowa community
35 empowerment board and Iowa state university extension to

1 provide hands-on assistance to child care providers.
2 Sec. 18. 2005 Iowa Acts, House File 816, section 5,
3 subsection 12, if enacted, is amended to read as follows:
4 12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM
5 For purposes, as provided in law, of the student
6 achievement and teacher quality program established pursuant
7 to chapter 284:
8 ..... $ ~~58,718,894~~
9 67,618,894
10 Sec. 19. 2005 Iowa Acts, House File 816, section 5,
11 subsection 13, if enacted, is amended to read as follows:
12 13. COMMUNITY COLLEGES
13 For general state financial aid to merged areas as defined
14 in section 260C.2 in accordance with chapters 258 and 260C:
15 ..... $~~146,063,888~~
16 147,579,244
17 The funds appropriated in this subsection shall be
18 allocated as follows:
19 a. Merged Area I ..... $ ~~7,050,307~~
20 7,124,315
21 b. Merged Area II ..... $ ~~8,174,864~~
22 8,258,602
23 c. Merged Area III ..... $ ~~7,573,324~~
24 7,650,479
25 d. Merged Area IV ..... $ ~~3,708,637~~
26 3,746,521
27 e. Merged Area V ..... $ ~~7,844,724~~
28 7,926,341
29 f. Merged Area VI ..... $ ~~7,187,687~~
30 7,261,075
31 g. Merged Area VII ..... $ ~~10,452,573~~
32 10,560,846
33 h. Merged Area IX ..... $ ~~12,871,340~~
34 13,005,054
35 i. Merged Area X ..... $ ~~20,387,667~~

1 20,603,300
2 j. Merged Area XI ..... $ ~~21,520,591~~
3 21,745,905
4 k. Merged Area XII ..... $ ~~8,447,771~~
5 8,535,410
6 l. Merged Area XIII ..... $ ~~8,664,978~~
7 8,754,676
8 m. Merged Area XIV ..... $ ~~3,753,491~~
9 3,791,821
10 n. Merged Area XV ..... $ ~~11,804,074~~
11 11,924,610
12 o. Merged Area XVI ..... $ ~~6,621,860~~
13 6,690,289
14 Sec. 20. 2005 Iowa Acts, House File 816, section 10,
15 subsection 1, paragraph f, if enacted, is amended to read as
16 follows:
17 f. For funds for regents universities' general operating
18 budgets:
19 ..... $ ~~12,569,288~~
20 14,969,288
21 Sec. 21. 2005 Iowa Acts, House File 816, section 10,
22 subsection 1, paragraph f, subparagraph (6), if enacted, is
23 amended to read as follows:
24 (6) From the moneys allocated to the Iowa state university
25 of science and technology pursuant to this lettered paragraph,
26 an amount equal to ~~$50,000~~ $1,000,000 shall be distributed to
27 the college of veterinary medicine to reduce the operating
28 fees charged by the veterinary diagnostic laboratory. If Iowa
29 state university of science and technology fails to distribute
30 funds to the college of veterinary science in accordance with
31 this paragraph, the moneys shall revert to the general fund of
32 the state.
33 Sec. 22. 2005 Iowa Acts, House File 825, section 9,
34 unnumbered paragraph 2, if enacted, is amended to read as
35 follows:

1 For medical assistance reimbursement and associated costs
2 as specifically provided in the reimbursement methodologies in
3 effect on June 30, 2005, except as otherwise expressly
4 authorized by law, including reimbursement for abortion
5 services, which shall be available under the medical
6 assistance program only for those abortions which are
7 medically necessary:
8 ..... $~~524,800,000~~
9 518,300,000
10 Sec. 23. 2005 Iowa Acts, House File 825, section 14,
11 unnumbered paragraph 2, if enacted, is amended to read as
12 follows:
13 For child care programs:
14 ..... $ ~~8,350,752~~
15 17,350,752
16 Sec. 24. 2005 Iowa Acts, House File 825, section 14,
17 subsection 1, paragraph a, if enacted, is amended to read as
18 follows:
19 a. Of the funds appropriated in this section, ~~$7,325,228~~
20 $16,325,228 shall be used for state child care assistance in
21 accordance with section 237A.13.
22 Sec. 25. 2005 Iowa Acts, House File 825, section 29,
23 subsection 1, paragraph a, subparagraph (3), if enacted, is
24 amended to read as follows:
25 (3) For recalculation of the per diem cost and the
26 patient-day-weighted medians used in rate setting for nursing
27 facilities effective July 1, 2005, the inflation factor
28 applied from the midpoint of the cost report period to the
29 first day of the state fiscal year rate period shall not be
30 less than zero percent.
31 Sec. 26. 2005 Iowa Acts, House File 825, section 29,
32 subsection 11, if enacted, is amended to read as follows:
33 11. For the fiscal year beginning July 1, 2005, for child
34 care providers reimbursed under the state child care
35 assistance program, the department shall set provider

1 reimbursement rates based on the rate reimbursement survey
2 completed in December ~~1998~~ 2002. The department shall set
3 rates in a manner so as to provide incentives for a
4 nonregistered provider to become registered. If the federal
5 government provides additional funding for child care during
6 the fiscal year beginning July 1, 2005, the additional funding
7 shall be used to develop and implement an electronic billing
8 and payment system for child care providers.
9 Sec. 27. 2005 Iowa Acts, House File 825, section 40,
10 subsection 1, if enacted, is amended to read as follows:
11 1. To supplement the medical assistance appropriation,
12 including program administration and costs associated with
13 implementation, salaries, support, maintenance, and
14 miscellaneous purposes:
15 ..... $ ~~50,200,000~~
16 59,647,109
17 Sec. 28. 2001 Iowa Acts, chapter 174, section 1,
18 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,
19 section 8, 2003 Iowa Acts, chapter 179, section 38, and 2004
20 Iowa Acts, chapter 1175, section 270, is amended to read as
21 follows:
22 2. There is appropriated from the general fund of the
23 state to the endowment for Iowa's health account of the
24 tobacco settlement trust fund created in section 12E.12, for
25 the designated fiscal years, the following amounts, to be used
26 for the purposes specified in section 12E.12 for the endowment
27 for Iowa's health account:
28 FY 2001-2002 ..... $ 7,248,000
29 FY 2003-2004 ..... $ 0
30 FY 2004-2005 ..... $ 0
31 FY 2005-2006 ..... $ ~~29,562,000~~
32 0
33 FY 2006-2007 ..... $ 17,773,000
34 Sec. 29. Section 8.55, subsection 2, paragraphs b and d,
35 Code 2005, are amended by striking the paragraphs.

1 Sec. 30. Section 8.55, subsection 2, paragraph c, Code
2 2005, is amended to read as follows:
3 c. Notwithstanding paragraph "a", any moneys in excess of
4 the maximum balance in the economic emergency fund after the
5 distribution of the surplus in the general fund of the state
6 at the conclusion of each fiscal year ~~and after the~~
7 ~~appropriate amount has been transferred pursuant to paragraph~~
8 ~~"b",~~ shall not be transferred to the general fund of the state
9 but shall be transferred to the senior living trust fund. The
10 total amount transferred, in the aggregate, under this
11 paragraph for all fiscal years shall not exceed one hundred
12 eighteen million dollars.
13 Sec. 31. Section 256D.5, subsection 4, Code 2005, is
14 amended to read as follows:
15 4. For each fiscal year of the fiscal ~~year~~ period
16 beginning July 1, 2004, and ending June 30, ~~2005~~ 2006, the sum
17 of twenty-nine million two hundred fifty thousand dollars.
18 Sec. 32. Section 284.13, subsection 1, paragraph dd, as
19 enacted by 2005 Iowa Acts, House File 816, section 23, if
20 enacted, is amended to read as follows:
21 dd. For the fiscal year beginning July 1, 2005, and ending
22 June 30, 2006, up to ~~eight~~ seventeen million ~~nine~~ eight
23 hundred thousand dollars to the department of education for
24 use by school districts to add ~~one~~ two additional teacher
25 contract ~~day~~ days to the school calendar. Prior to receiving
26 funds under this paragraph, a school district shall submit for
27 approval to the department the school district's professional
28 development plan for use of the moneys. From the moneys
29 allocated to the department pursuant to this paragraph, not
30 less than seventy-five thousand dollars shall be used to
31 administer the ambassador to education position in accordance
32 with section 256.45 and the reporting and plan requirements of
33 this subsection shall not apply to this allocation. The
34 department shall submit a report on school district use of the
35 moneys distributed pursuant to this paragraph to the

1 chairpersons and ranking members of the house and senate
2 standing committees on education, the joint appropriations
3 subcommittee on education, and the legislative services agency
4 not later than January 15, 2006.
5 Sec. 33. Section 490A.131, subsection 5, if enacted by
6 2005 Iowa Acts, House File 859, section 109, is amended to
7 read as follows:
8 5. The first biennial report shall be delivered to the
9 secretary of state between January 1 and April 1 of the first
10 ~~odd-numbered~~ even-numbered year following the calendar year in
11 which a limited liability company was formed or a foreign
12 limited liability company was authorized to transact business.
13 Subsequent biennial reports must be delivered to the secretary
14 of state between January 1 and April 1 of the following ~~odd-~~
15 ~~numbered~~ even-numbered calendar years. A filing fee for the
16 biennial report shall be determined by the secretary of state
17 and deposited into the general fund of the state. For
18 purposes of this section, each biennial report shall contain
19 information related to the two-year period immediately
20 preceding the calendar year in which the report is filed.
21 Sec. 34. Section 292.4, Code 2005, is repealed.
22 Sec. 35. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
23 1. The section of this division of this Act repealing
24 section 292.4, being deemed of immediate importance, takes
25 effect upon enactment and applies retroactively to July 1,
26 2004.
27 2. The section of this division of this Act amending House
28 File 810 to increase the funding and FTEs for the banking
29 division is contingent upon the enactment of House File 737.
30 3. The section of this division of this Act amending House
31 File 810 to increase the funding and FTEs for the professional
32 licensing and regulation division is contingent upon the
33 enactment of Senate File 405.
34 DIVISION IV
35 MISCELLANEOUS STATUTORY CHANGES

1 Sec. 36. Section 12B.10, Code 2005, is amended by adding
2 the following new subsections:
3 NEW SUBSECTION. 7. Notwithstanding sections 12C.2, 12C.4,
4 12C.6, 12C.6A, and any other provision of law relating to the
5 deposits of public funds, if public funds are deposited in a
6 depository, as defined in section 12C.1, then, in addition to
7 investments authorized in subsections 4 and 5, any uninsured
8 portion of the public funds invested through the depository
9 may be invested in certificates of deposit arranged by the
10 depository that are issued by one or more federally insured
11 banks or savings associations regardless of location for the
12 account of the public funds depositor if all of the following
13 requirements are satisfied:
14 a. The full amount of the principal and any accrued
15 interest of each certificate of deposit issued shall be
16 covered by federal deposit insurance.
17 b. The depository, either directly or through an agent or
18 subcustodian, shall act as custodian of the certificates of
19 deposit.
20 c. The day the certificates of deposit are issued, the
21 depository shall have received deposits in an amount eligible
22 for federal deposit insurance from, and issued certificates of
23 deposit to, customers of other financial institutions wherever
24 located that are equal to or greater than the amount of public
25 funds invested under this subsection by the public funds
26 depositor through the depository.
27 NEW SUBSECTION. 8. As used in this section, "public
28 funds" means the same as defined in section 12C.1, subsection
29 2.
30 Sec. 37. Section 12C.22, subsection 2, unnumbered
31 paragraph 1, Code 2005, is amended to read as follows:
32 The amount of the collateral required to be pledged by a
33 bank shall at all times equal or exceed the total of the
34 amount by which the public funds deposits in the bank exceeds
35 the total capital of the bank. For purposes of this section,

1 deposits that comply with section 12B.10, subsection 7, that
2 are evidenced either by one or more certificates of deposit,
3 or one or more orders for the next business day settlement and
4 issuance of certificates of deposit, by a federally insured
5 bank or savings association other than the depository, shall
6 not be deemed public fund deposits in the bank or savings
7 association. For purposes of this chapter, unless the context
8 otherwise requires, "total capital of the bank" means its tier
9 one capital plus both of the following components of tier two
10 capital:
11 Sec. 38. Section 12C.23A, subsection 3, paragraph d, Code
12 2005, is amended by adding the following new unnumbered
13 paragraph:
14 NEW UNNUMBERED PARAGRAPH. For purposes of this section,
15 when calculating uninsured public funds, a bank shall include
16 all deposits of customers of other financial institutions as
17 permitted by section 12B.10, subsection 7.
18 Sec. 39. Section 15E.193B, subsection 5, Code 2005, is
19 amended by adding the following new paragraph:
20 NEW PARAGRAPH. f. If the eligible housing business is a
21 partnership, S corporation, or limited liability company using
22 low-income housing tax credits authorized under section 42 of
23 the Internal Revenue Code to assist in the financing of the
24 housing development, the name of any partner if the business
25 is a partnership, a shareholder if the business is an S
26 corporation, or a member if the business is a limited
27 liability company and the amount designated as allowed under
28 subsection 8.
29 Sec. 40. Section 15E.193B, subsection 6, paragraph a, Code
30 2005, is amended to read as follows:
31 a. An eligible housing business may claim a tax credit up
32 to a maximum of ten percent of the new investment which is
33 directly related to the building or rehabilitating of a
34 minimum of four single-family homes located in that part of a
35 city or county in which there is a designated enterprise zone

1 or one multiple dwelling unit building containing three or
2 more individual dwelling units located in that part of a city
3 or county in which there is a designated enterprise zone. The
4 new investment that may be used to compute the tax credit
5 shall not exceed the new investment used for the first one
6 hundred forty thousand dollars of value for each single-family
7 home or for each unit of a multiple dwelling unit building
8 containing three or more units. The tax credit may be used to
9 reduce the tax liability imposed under chapter 422, division
10 II, III, or V, or chapter 432. Any credit in excess of the
11 tax liability for the tax year may be credited to the tax
12 liability for the following seven years or until depleted,
13 whichever occurs earlier. If the business is a partnership, S
14 corporation, limited liability company, or estate or trust
15 electing to have the income taxed directly to the individual,
16 an individual may claim the tax credit allowed. The amount
17 claimed by the individual shall be based upon the pro rata
18 share of the individual's earnings of the partnership, S
19 corporation, limited liability company, or estate or trust
20 except as allowed for under subsection 8 when low-income
21 housing tax credits authorized under section 42 of the
22 Internal Revenue Code are used to assist in the financing of
23 the housing development.
24 Sec. 41. Section 15E.193B, subsection 8, unnumbered
25 paragraph 1, Code 2005, is amended to read as follows:
26 The amount of the tax credits determined pursuant to
27 subsection 6, paragraph "a", for each project shall be
28 approved by the department of economic development. The
29 department shall utilize the financial information required to
30 be provided under subsection 5, paragraph "e", to determine
31 the tax credits allowed for each project. In determining the
32 amount of tax credits to be allowed for a project, the
33 department shall not include the portion of the project cost
34 financed through federal, state, and local government tax
35 credits, grants, and forgivable loans. Upon approving the

1 amount of the tax credit, the department of economic
2 development shall issue a tax credit certificate to the
3 eligible housing business except when low-income housing tax
4 credits authorized under section 42 of the Internal Revenue
5 Code are used to assist in the financing of the housing
6 development in which case the tax credit certificate may be
7 issued to a partner if the business is a partnership, a
8 shareholder if the business is an S corporation, or a member
9 if the business is a limited liability company in the amounts
10 designated by the eligible partnership, S corporation, or
11 limited liability company. An eligible housing business or
12 the designated partner if the business is a partnership,
13 designated shareholder if the business is an S corporation, or
14 designated member if the business is a limited liability
15 company, or transferee shall not claim the tax credit unless a
16 tax credit certificate issued by the department of economic
17 development is attached to the taxpayer's return for the tax
18 year for which the tax credit is claimed. The tax credit
19 certificate shall contain the taxpayer's name, address, tax
20 identification number, the amount of the tax credit, and other
21 information required by the department of revenue. The tax
22 credit certificate shall be transferable if low-income housing
23 tax credits authorized under section 42 of the Internal
24 Revenue Code are used to assist in the financing of the
25 housing development. Tax credit certificates issued under
26 this chapter may be transferred to any person or entity.
27 Within ninety days of transfer, the transferee must submit the
28 transferred tax credit certificate to the department of
29 economic development along with a statement containing the
30 transferee's name, tax identification number, and address, and
31 the denomination that each replacement tax credit certificate
32 is to carry and any other information required by the
33 department of revenue. Within thirty days of receiving the
34 transferred tax credit certificate and the transferee's
35 statement, the department of economic development shall issue

1 one or more replacement tax credit certificates to the
2 transferee. Each replacement certificate must contain the
3 information required to receive the original certificate and
4 must have the same expiration date that appeared in the
5 transferred tax credit certificate. Tax credit certificate
6 amounts of less than the minimum amount established by rule of
7 the department of economic development shall not be
8 transferable. A tax credit shall not be claimed by a
9 transferee under subsection 6, paragraph "a", until a
10 replacement tax credit certificate identifying the transferee
11 as the proper holder has been issued.
12 Sec. 42. Section 124.212, subsection 4, paragraph c, as
13 enacted by 2005 Iowa Acts, Senate File 169, section 1, is
14 amended to read as follows:
15 c. Pseudoephedrine. A person shall present a government-
16 issued photo identification card when purchasing a
17 pseudoephedrine product from a pharmacy. A person shall not
18 purchase more than seven thousand five hundred milligrams of
19 pseudoephedrine, either separately or collectively, within a
20 thirty-day period from a pharmacy, unless the person has a
21 prescription for a pseudoephedrine product in excess of that
22 quantity.
23 Sec. 43. Section 142A.4, Code 2005, is amended by adding
24 the following new subsection:
25 NEW SUBSECTION. 23. Approve the content of any materials
26 distributed by the youth program pursuant to section 142A.9,
27 prior to distribution of the materials.
28 Sec. 44. Section 257.14, subsection 3, unnumbered
29 paragraph 2, Code 2005, is amended by striking the unnumbered
30 paragraph.
31 Sec. 45. Section 422.11D, subsection 2, Code 2005, is
32 amended to read as follows:
33 2. An individual may claim a property rehabilitation tax
34 credit allowed a partnership, limited liability company, S
35 corporation, estate, or trust electing to have the income

1 taxed directly to the individual. The amount claimed by the
2 individual shall be based upon the pro rata share of the
3 individual's earnings of a partnership, limited liability
4 company, S corporation, estate, or trust except when low-
5 income housing tax credits authorized under section 42 of the
6 Internal Revenue Code are used to assist in the financing of
7 the housing development in which case the amount claimed by a
8 partner if the business is a partnership, a shareholder if the
9 business is an S corporation, or a member if the business is a
10 limited liability company shall be based on the amounts
11 designated by the eligible partnership, S corporation, or
12 limited liability company.
13 Sec. 46. Section 423.3, Code 2005, is amended by adding
14 the following new subsection:
15 NEW SUBSECTION. 29A. The sales price of all goods, wares,
16 or merchandise sold, or of services furnished, which are used
17 in the fulfillment of a written construction contract with a
18 residential treatment facility for youth with emotional or
19 behavioral disorders licensed pursuant to chapter 237 or 135H
20 if all of the following apply:
21 a. The sales and delivery of the goods, wares, or
22 merchandise, or the services furnished occurred between July
23 1, 2004, and December 31, 2006.
24 b. The written construction contract was entered into
25 after December 31, 2003.
26 c. The sales or services were purchased by a contractor as
27 the agent for the facility or were purchased directly by the
28 facility.
29 Sec. 47. Section 423E.5, unnumbered paragraph 1, Code
30 2005, is amended to read as follows:
31 The board of directors of a school district shall be
32 authorized to issue negotiable, interest-bearing school bonds,
33 without election, and utilize tax receipts derived from the
34 sales and services tax for school infrastructure purposes and
35 the supplemental school infrastructure amount distributed

1 pursuant to section 423E.4, subsection 2, paragraph "b", for
2 principal and interest repayment. Proceeds of the bonds
3 issued pursuant to this section shall be utilized solely for
4 school infrastructure needs as school infrastructure is
5 defined in section 423E.1, subsection 3. Bonds issued under
6 this section may be sold at public ~~or private~~ sale as provided
7 in chapter 75, or at private sale, without notice and hearing
8 as provided in section 73A.12. Bonds may bear dates, bear
9 interest at rates not exceeding that permitted by chapter 74A,
10 mature in one or more installments, be in registered form,
11 carry registration and conversion privileges, be payable as to
12 principal and interest at times and places, be subject to
13 terms of redemption prior to maturity with or without premium,
14 and be in one or more denominations, all as provided by the
15 resolution of the board of directors authorizing their
16 issuance. The resolution may also prescribe additional
17 provisions, terms, conditions, and covenants which the board
18 of directors deems advisable, including provisions for
19 creating and maintaining reserve funds, the issuance of
20 additional bonds ranking on a parity with such bonds and
21 additional bonds junior and subordinate to such bonds, and
22 that such bonds shall rank on a parity with or be junior and
23 subordinate to any bonds which may be then outstanding. Bonds
24 may be issued to refund outstanding and previously issued
25 bonds under this section. Local option sales and services tax
26 revenue bonds are a contract between the school district and
27 holders, and the resolution issuing the bonds and pledging
28 local option sales and services tax revenues to the payment of
29 principal and interest on the bonds is a part of the contract.
30 Bonds issued pursuant to this section shall not constitute
31 indebtedness within the meaning of any constitutional or
32 statutory debt limitation or restriction, and shall not be
33 subject to any other law relating to the authorization,
34 issuance, or sale of bonds.
35 Sec. 48. Section 427.1, Code 2005, is amended by adding

1 the following new subsection:
2 NEW SUBSECTION. 21A. Dwelling unit property owned and
3 managed by a nonprofit organization if the nonprofit
4 organization owns and manages more than forty dwelling units
5 that are located in a city with a population of more than one
6 hundred ten thousand which has a public housing authority that
7 does not own or manage housing stock for the purpose of low-
8 rent housing.
9 Sec. 49. Section 456A.37, subsection 1, paragraph c, Code
10 2005, is amended to read as follows:
11 c. "Aquatic invasive species" means a species that is not
12 native to an ecosystem and whose introduction causes or is
13 likely to cause economic or environmental harm or harm to
14 human health including but not limited to habitat alteration
15 and degradation, and loss of biodiversity. For the purposes
16 of this section, "aquatic invasive species" are limited to
17 Eurasian water milfoil, purple loosestrife, ~~and~~ zebra mussels,
18 ~~except as provided in subsection 4~~ and those species
19 identified as "aquatic invasive species" by the commission by
20 rule.
21 Sec. 50. Section 456A.37, subsection 4, unnumbered
22 paragraph 2, Code 2005, is amended to read as follows:
23 c. If the commission determines that an additional species
24 should be defined as an "aquatic invasive species", the
25 species ~~may~~ shall be defined by the commission by rule as an
26 "aquatic invasive species" ~~subject to enactment of the~~
27 ~~definition by the general assembly at the next regular session~~
28 ~~of the general assembly. Failure of the general assembly to~~
29 ~~enact the definition pursuant to this paragraph constitutes a~~
30 ~~nullification of the definition effective upon adjournment of~~
31 ~~that next regular session of the general assembly~~.
32 Sec. 51. Section 543B.34, subsection 9, paragraph a,
33 unnumbered paragraph 1, Code 2005, is amended to read as
34 follows:
35 Paying a commission or other valuable consideration or any

1 part of such commission or consideration for performing any of
2 the acts specified in this chapter to a person who is not a
3 licensed broker or salesperson under this chapter or who is
4 not engaged in the real estate business in another state or
5 foreign country, ~~or paying a commission or other valuable~~
6 ~~consideration for performing any of the acts specified in this~~
7 ~~chapter to a licensee knowing that the licensee will pay a~~
8 ~~portion of or all of such commission or consideration to a~~
9 ~~person or party who is not licensed pursuant to this chapter,~~
10 provided that the provisions of this section shall not be
11 construed to prohibit the payment of earned commissions or
12 consideration to any of the following:
13 Sec. 52. Section 543B.60A, Code 2005, is amended by
14 striking the section and inserting in lieu thereof the
15 following:
16 543B.60A PROHIBITED PRACTICES.
17 1. A licensee shall not request a referral fee after a
18 bona fide offer to purchase is accepted.
19 2. A licensee shall not request a referral fee after a
20 bona fide listing agreement has been signed.
21 3. A licensee shall not offer, promote, perform, provide,
22 or otherwise participate in any marketing plan that requires a
23 consumer to receive brokerage services, including referral
24 services, from two or more licensees in a single real estate
25 transaction, as a required condition for the consumer to
26 receive either of the following:
27 a. Brokerage services from one or more of such licensees.
28 b. A rebate, prize, or other inducement from one or more
29 such licensees.
30 4. For purposes of this section, "consumer" shall include
31 parties or prospective parties to a real estate transaction,
32 clients or prospective clients of a licensee, or customers or
33 prospective customers of a licensee.
34 5. This section does not address relationships between a
35 broker and the broker associates or salepersons licensed

1 under, employed by, or otherwise associated with the broker in
2 a real estate brokerage agency.
3 6. A violation of this section is deemed a violation of
4 section 543B.29, subsection 3.
5 7. The purpose of this section is to prohibit licensee
6 practices that interfere with contractual arrangements, place
7 improper restrictions on consumer choice, compromise a
8 licensee's fiduciary obligations, and create conflicts of
9 interest.
10 Sec. 53. Section 579A.2, subsection 3, paragraph b, Code
11 2005, is amended to read as follows:
12 b. The lien terminates one year after the cattle have left
13 the custom cattle feedlot. ~~Section-554.9515-shall-not-apply~~
14 ~~to-a-financing-statement-perfecting-the-lien.~~ The lien may be
15 terminated by the custom cattle feedlot operator who files a
16 termination statement as provided in chapter 554, article 9.
17 Sec. 54. Section 579B.4, subsection 1, paragraph b, Code
18 2005, is amended to read as follows:
19 b. For a lien arising out of producing a crop, the lien
20 becomes effective the day that the crop is first planted. In
21 order to perfect the lien, the contract producer must file a
22 financing statement in the office of the secretary of state as
23 provided in section 554.9308. The contract producer must file
24 a financing statement for the crop within forty-five days
25 after the crop is first planted. The lien terminates one year
26 after the crop is no longer under the authority of the
27 contract producer. For purposes of this section, a crop is no
28 longer under the authority of the contract producer when the
29 crop or a warehouse receipt issued by a warehouse operator
30 licensed under chapter 203C for grain from the crop is no
31 longer under the custody or control of the contract producer.
32 ~~Section-554.9515-shall-not-apply-to-a-financing-statement~~
33 ~~perfecting-the-lien.~~ The lien may be terminated by the
34 contract producer who files a termination statement as
35 provided in chapter 554, article 9.

1 Sec. 55. EFFECTIVE DATE. The section of this division of
2 this Act enacting section 423.3, subsection 29A, being deemed
3 of immediate importance, takes effect upon enactment.
4 Sec. 56. 2005 Iowa Acts, House File 739, if enacted, is
5 amended by adding the following new section:
6 NEW SECTION. Sec. ___. EFFECTIVE DATE. The section of
7 this Act amending section 262.9 to establish a research
8 triangle and clearinghouse takes effect July 1, 2006.
9 Sec. 57. BUDGET GUARANTEE RESOLUTION -- RESOLUTION
10 ADOPTION EXTENSION. Notwithstanding the provisions of section
11 257.14, subsection 3, unnumbered paragraph 3, a school
12 district that wishes to receive a budget adjustment pursuant
13 to that subsection for the school budget year beginning July
14 1, 2005, shall have until June 1, 2005, to adopt a resolution
15 to receive the budget adjustment and to notify the department
16 of management of the adoption of the resolution and the amount
17 of the budget adjustment to be received.
18 Sec. 58. APPLICABILITY PROVISION. The section of this
19 division of this Act enacting new subsection 21A to section
20 427.1 shall not be considered a property tax exemption within
21 the meaning of or for the purposes of section 25B.7.
22 Sec. 59. EFFECTIVE DATE. The section of this division of
23 this Act providing an extension of time for adoption of a
24 budget adjustment resolution pursuant to section 257.14,
25 subsection 3, for a budget adjustment for the school budget
26 year beginning July 1, 2005, being deemed of immediate
27 importance, takes effect upon enactment.
28 DIVISION V
29 JUSTICE SYSTEM AND JUDICIAL BRANCH
30 Sec. 60. STUDY OF COURT RULE RELATED TO TRIBAL COURTS.
31 The general assembly acknowledges that contact and interaction
32 between the Iowa court system and federally recognized tribal
33 courts are ever increasing and the general assembly urges the
34 Iowa supreme court to study this interaction and consider
35 developing and prescribing rules that relate to the tribal

1 court system, tribal court orders, judgments, and decrees.
2 Sec. 61. NEW SECTION. 80.43 VEHICLE DEPRECIATION ACCOUNT
3 -- IOWA STATE PATROL.
4 1. There is appropriated from the general fund of the
5 state to the department of public safety for the indicated
6 fiscal years, the following amounts, or so much thereof as is
7 necessary, to be credited to the department's account under
8 section 8A.365 for vehicles utilized by the Iowa state patrol
9 and to be used as directed by the department of public safety
10 for the purchase of state patrol vehicles:
11 a. For the fiscal year beginning July 1, 2005, and ending
12 June 30, 2006, five hundred ninety-six thousand dollars.
13 b. For the fiscal year beginning July 1, 2006, and ending
14 June 30, 2007, seven hundred nine thousand dollars.
15 c. For the fiscal year beginning July 1, 2007, and ending
16 June 30, 2008, eight hundred forty-one thousand dollars.
17 d. For the fiscal year beginning July 1, 2008, and ending
18 June 30, 2009, eight hundred forty-one thousand dollars.
19 2. Notwithstanding section 12C.7, subsection 2, interest
20 or earnings on moneys credited to the account pursuant to this
21 section shall be credited to the account. Notwithstanding
22 sections 8.33 and 8A.365, moneys appropriated in this section
23 that remain unencumbered or unobligated at the close of the
24 fiscal year shall not revert but shall remain available for
25 expenditure for the purposes designated.
26 Sec. 62. Section 602.6401, subsection 1, Code 2005, is
27 amended to read as follows:
28 1. ~~One~~ Two hundred ~~ninety-one~~ six magistrates shall be
29 apportioned among the counties as provided in this section.
30 Magistrates appointed pursuant to section 602.6402 shall not
31 be counted for purposes of this section.
32 Sec. 63. NEW SECTION. 602.8102A NOTICES RETURNED FOR
33 UNKNOWN ADDRESS -- RESENDING.
34 Notwithstanding any other provision of the Code to the
35 contrary, and subject to rules prescribed by the supreme

1 court, if the clerk of the district court sends a mailing or
2 notice to a person or party and the mailing or notice is
3 returned by the postal service to the clerk of the district
4 court as undeliverable, the clerk is not required to send a
5 repeat or subsequent mailing or notice unless the clerk
6 receives an updated mailing address.
7 Sec. 64. Section 602.8105, subsection 2, Code 2005, is
8 amended to read as follows:
9 2. The clerk of the district court shall collect the
10 following fees for miscellaneous services:
11 a. For filing, entering, and endorsing a mechanic's lien,
12 twenty dollars, and if a suit is brought, the fee is taxable
13 as other costs in the action.
14 b. For filing and entering an agricultural supply dealer's
15 lien and any other statutory lien, twenty dollars.
16 c. For a certificate and seal, ten dollars. However,
17 there shall be no charge for a certificate and seal to an
18 application to procure a pension, bounty, or back pay for a
19 member of the armed services or other person.
20 d. For certifying a change in title of real estate, twenty
21 dollars.
22 e. For filing a praecipe to issue execution under chapter
23 626, twenty-five dollars.
24 f. For filing a praecipe to issue execution under chapter
25 654, fifty dollars.
26 g. For filing a confession of judgment under chapter 676,
27 fifty dollars if the judgment is five thousand dollars or
28 less, and one hundred dollars if the judgment exceeds five
29 thousand dollars.
30 ~~e.~~ h. Other fees provided by law.
31 Sec. 65. Section 901.4, Code 2005, is amended to read as
32 follows:
33 901.4 PRESENTENCE INVESTIGATION REPORT CONFIDENTIAL --
34 DISTRIBUTION.
35 The presentence investigation report is confidential and

1 the court shall provide safeguards to ensure its
2 confidentiality, including but not limited to sealing the
3 report, which may be opened only by further court order. At
4 least three days prior to the date set for sentencing, the
5 court shall ~~serve~~ send a copy of all of the presentence
6 investigation report ~~upon~~ by ordinary or electronic mail, to
7 the defendant's attorney and the attorney for the state, and
8 the report shall remain confidential except upon court order.
9 However, the court may conceal the identity of the person who
10 provided confidential information. The report of a medical
11 examination or psychological or psychiatric evaluation shall
12 be made available to the attorney for the state and to the
13 defendant upon request. The reports are part of the record
14 but shall be sealed and opened only on order of the court. If
15 the defendant is committed to the custody of the Iowa
16 department of corrections and is not a class "A" felon, a copy
17 of the presentence investigation report shall be forwarded by
18 ordinary or electronic mail to the director with the order of
19 commitment by the clerk of the district court and to the board
20 of parole at the time of commitment. Pursuant to section
21 904.602, the presentence investigation report may also be
22 released by ordinary or electronic mail by the department of
23 corrections or a judicial district department of correctional
24 services to another jurisdiction for the purpose of providing
25 interstate probation and parole compact or interstate compact
26 for adult offender supervision services or evaluations, or to
27 a substance abuse or mental health services provider when
28 referring a defendant for services. The defendant or the
29 defendant's attorney may file with the presentence
30 investigation report, a denial or refutation of the
31 allegations, or both, contained in the report. The denial or
32 refutation shall be included in the report. If the person is
33 sentenced for an offense which requires registration under
34 chapter 692A, the court shall release the report by ordinary
35 or electronic mail to the department.

1 Sec. 66. 2005 Iowa Acts, House File 807, section 1,
2 subsection 1, unnumbered paragraph 2, if enacted, is amended
3 to read as follows:
4 For salaries of supreme court justices, appellate court
5 judges, district court judges, district associate judges,
6 judicial magistrates and staff, state court administrator,
7 clerk of the supreme court, district court administrators,
8 clerks of the district court, juvenile court officers, board
9 of law examiners and board of examiners of shorthand reporters
10 and judicial qualifications commission, receipt and
11 disbursement of child support payments, reimbursement of the
12 auditor of state for expenses incurred in completing audits of
13 the offices of the clerks of the district court during the
14 fiscal year beginning July 1, 2005, and maintenance,
15 equipment, and miscellaneous purposes:
16 ..... ~~$118,084,282~~
17 118,404,282
18 Sec. 67. 2005 Iowa Acts, House File 811, section 1,
19 subsection 1, paragraph c, if enacted, is amended to read as
20 follows:
21 c. For legal services for persons in poverty grants as
22 provided in section 13.34:
23 ..... $ ~~0~~
24 750,000
25 Sec. 68. 2005 Iowa Acts, House File 811, section 14,
26 subsection 3, if enacted, is amended to read as follows:
27 3. For the criminalistics laboratory fund, if created in
28 section 602.8108:
29 ..... $ ~~0~~
30 350,000
31 DIVISION VI
32 EDUCATION
33 Sec. 69. Section 11.6, subsection 1, paragraph a,
34 unnumbered paragraph 1, Code 2005, is amended to read as
35 follows:

1 The financial condition and transactions of all cities and
2 city offices, counties, county hospitals organized under
3 chapters 347 and 347A, memorial hospitals organized under
4 chapter 37, entities organized under chapter 28E having gross
5 receipts in excess of one hundred thousand dollars in a fiscal
6 year, merged areas, area education agencies, and all school
7 offices in school districts, shall be examined at least once
8 each year, except that cities having a population of seven
9 hundred or more but less than two thousand shall be examined
10 at least once every four years, and cities having a population
11 of less than seven hundred may be examined as otherwise
12 provided in this section. The examination shall cover the
13 fiscal year next preceding the year in which the audit is
14 conducted. The examination of school offices shall include an
15 audit of all school funds, the certified annual financial
16 report, ~~and~~ the certified enrollment as provided in section
17 257.6, and the revenues and expenditures of any nonprofit
18 school organization established pursuant to section 279.60.
19 Differences in certified enrollment shall be reported to the
20 department of management. The examination of a city that owns
21 or operates a municipal utility providing local exchange
22 services pursuant to chapter 476 shall include an audit of the
23 city's compliance with section 388.10. The examination of a
24 city that owns or operates a municipal utility providing
25 telecommunications services pursuant to section 388.10 shall
26 include an audit of the city's compliance with section 388.10.
27 Sec. 70. Section 256.9, Code 2005, is amended by adding
28 the following new subsection:
29 NEW SUBSECTION. 53. Prepare and submit to the
30 chairpersons and ranking members of the senate and house
31 education committees a report on the state's progress toward
32 closing the achievement gap, including student achievement for
33 minority subgroups, and a comprehensive summary of state
34 agency and local district activities and practices taken in
35 the past year to close the achievement gap.

1 Sec. 71. NEW SECTION. 279.60 NONPROFIT SCHOOL
2 ORGANIZATIONS.
3 The board of directors of a school district may take action
4 to adopt a resolution to establish, and authorize expenditures
5 for the operational support of, an entity or organization for
6 the sole benefit of the school district and its students that
7 is exempt from federal income taxation under section 501(c)(3)
8 of the Internal Revenue Code. The entity or organization
9 shall reimburse the school district for expenditures made by
10 the school district on behalf of the entity or organization.
11 Prior to establishing such an entity or organization, the
12 board of directors shall hold a public hearing on the proposal
13 to establish such an entity or organization. Such an entity
14 or organization shall maintain its records in accordance with
15 chapter 22, except that the entity or organization shall
16 provide for the anonymity of a donor at the written request of
17 the donor. The board of directors of a school district shall
18 annually report to the department of education and to the
19 local community the administrative expenditures, revenues, and
20 activities of the entity or organization established by the
21 school district pursuant to this section. The department
22 shall include in its annual condition of education report a
23 statewide summary of the expenditures and revenues submitted
24 in accordance with this section.
25 Sec. 72. Section 282.18, subsection 2, Code 2005, is
26 amended to read as follows:
27 2. By ~~January~~ March 1 of the preceding school year for
28 students entering grades one through twelve, or by September 1
29 of the current school year for students entering kindergarten,
30 the parent or guardian shall send notification to the district
31 of residence and the receiving district, on forms prescribed
32 by the department of education, that the parent or guardian
33 intends to enroll the parent's or guardian's child in a public
34 school in another school district. If a parent or guardian
35 fails to file a notification that the parent intends to enroll

the parent's or guardian's child in a public school in another district by the deadline ~~of January 1 of the previous year~~ specified in this subsection, ~~and one of~~ the ~~criteria defined in~~ procedures of subsection 4 ~~exists for the failure to meet the deadline or if the request is to enroll a child in kindergarten in a public school in another district, the parent or guardian shall be permitted to enroll the child in the other district in the same manner as if the deadline had been met~~ apply.

The board of the receiving district shall enroll the pupil in a school in the receiving district for the following school year unless the receiving district does not have classroom space for the pupil. The board of directors of a receiving district may adopt a policy granting the superintendent of the school district authority to approve open enrollment applications. If the request is granted, the board shall transmit a copy of the form to the parent or guardian and the school district of residence within five days after board action, but not later than ~~March~~ June 1 of the preceding school year. The parent or guardian may withdraw the request at any time prior to the start of the school year. A denial of a request by the board of a receiving district is not subject to appeal.

Sec. 73. Section 282.18, subsection 4, paragraphs a and b, Code 2005, are amended to read as follows:

a. After ~~January~~ March 1 of the preceding school year and until the third Friday in September of that calendar year, the parent or guardian shall send notification to the district of residence and the receiving district, on forms prescribed by the department of education, that good cause, as defined in paragraph "b", exists for failure to meet the ~~January~~ March 1 deadline. The board of directors of a receiving school district may adopt a policy granting the superintendent of the school district authority to approve open enrollment applications submitted after the March 1 deadline. The board

1 of the receiving district shall take action to approve the
2 request if good cause exists. If the request is granted, the
3 board shall transmit a copy of the form to the parent or
4 guardian and the school district of residence within five days
5 after board action. A denial of a request by the board of a
6 receiving district is not subject to appeal.
7 b. For purposes of this section, "good cause" means a
8 change in a child's residence due to a change in family
9 residence, a change in the state in which the family residence
10 is located, a change in a child's parents' marital status, a
11 guardianship or custody proceeding, placement in foster care,
12 adoption, participation in a foreign exchange program, or
13 participation in a substance abuse or mental health treatment
14 program, <u>or a similar set of circumstances consistent with the</u>
15 <u>definition of "good cause"; or</u> a change in the status of a
16 child's resident district such as removal of accreditation by
17 the state board, surrender of accreditation, or permanent
18 closure of a nonpublic school, revocation of a charter school
19 contract as provided in section 256F.8, the failure of
20 negotiations for a whole-grade sharing, reorganization,
21 dissolution agreement or the rejection of a current whole-
22 grade sharing agreement, or reorganization plan<u>, or a similar</u>
23 <u>set of circumstances consistent with the definition of "good</u>
24 <u>cause"</u>. If the good cause relates to a change in status of a
25 child's school district of residence, however, action by a
26 parent or guardian must be taken to file the notification
27 within forty-five days of the last board action or within
28 thirty days of the certification of the election, whichever is
29 applicable to the circumstances.
30 Sec. 74. Section 282.18, subsections 5 and 6, Code 2005,
31 are amended to read as follows:
32 5. Open enrollment applications filed after ~~January~~ <u>March</u>
33 1 of the preceding school year that do not qualify for good
34 cause as provided in subsection 4 shall be subject to the
35 approval of the board of the resident district and the board

1 of the receiving district. The parent or guardian shall send
2 notification to the district of residence and the receiving
3 district that the parent or guardian seeks to enroll the
4 parent's or guardian's child in the receiving district. A
5 decision of either board to deny an application filed under
6 this subsection involving repeated acts of harassment of the
7 student or serious health condition of the student that the
8 resident district cannot adequately address is subject to
9 appeal under section 290.1. The state board shall exercise
10 broad discretion to achieve just and equitable results that
11 are in the best interest of the affected child or children.
12 6. A request under this section is for a period of not
13 less than one year. If the request is for more than one year
14 and the parent or guardian desires to have the pupil enroll in
15 a different district, the parent or guardian may petition the
16 current receiving district by ~~January~~ March 1 of the previous
17 school year for permission to enroll the pupil in a different
18 district for a period of not less than one year. Upon receipt
19 of such a request, the current receiving district board may
20 act on the request to transfer to the other school district at
21 the next regularly scheduled board meeting after the receipt
22 of the request. The new receiving district shall enroll the
23 pupil in a school in the district unless there is insufficient
24 classroom space in the district or unless enrollment of the
25 pupil would adversely affect the court-ordered or voluntary
26 desegregation plan of the district. A denial of a request to
27 change district enrollment within the approved period is not
28 subject to appeal. However, a pupil who has been in
29 attendance in another district under this section may return
30 to the district of residence and enroll at any time, once the
31 parent or guardian has notified the district of residence and
32 the receiving district in writing of the decision to enroll
33 the pupil in the district of residence.
34 Sec. 75. Section 423E.4, subsection 6, unnumbered
35 paragraph 1, Code 2005, is amended to read as follows:

1 A school district with a certified enrollment of fewer than
2 two hundred fifty pupils in the entire district or certified
3 enrollment of fewer than one hundred pupils in high school
4 shall not expend the supplemental school infrastructure amount
5 received for new construction or for payments for bonds issued
6 for new construction against the supplemental school
7 infrastructure amount without prior application to the
8 department of education and receipt of a certificate of need
9 pursuant to this subsection. However, a certificate of need
10 is not required for the payment of outstanding bonds issued
11 for new construction pursuant to section 296.1, before April
12 1, 2003. A certificate of need is also not required for
13 repairing schoolhouses or buildings, equipment, technology, or
14 transportation equipment for transporting students as provided
15 in section 298.3, or for construction necessary for compliance
16 with the federal Americans With Disabilities Act pursuant to
17 42 U.S.C. § 12101--12117. In determining whether a
18 certificate of need shall be issued or denied, the department
19 shall consider all of the following:
20 Sec. 76. RETROACTIVE APPLICABILITY FOR NONPROFIT SCHOOL
21 ORGANIZATIONS. The provisions of section 279.60, as enacted
22 by this division of this Act, authorizing the board of
23 directors of a school district to establish and authorize
24 expenditures for the operational support of an entity or
25 organization for the sole benefit of the school district and
26 its students, apply to entities or organizations established
27 by the board of directors of a school district before, on, or
28 after July 1, 2005.
29 DIVISION VII
30 LAND RECORD INFORMATION SYSTEM
31 Sec. 77. NEW SECTION. 12B.6 CERTAIN PUBLIC FUNDS OF
32 POLITICAL SUBDIVISIONS.
33 All funds received, expended, or held by an association of
34 elected county officers before, on, or after the effective
35 date of this Act, to implement a state-authorized program, are

1 subject to audit by the auditor of state at the request of the
2 government oversight committees or the legislative council.
3 All such funds received or held on and after July 1, 2005,
4 shall be deposited in a fund in the office of the treasurer of
5 state.
6 Sec. 78. Section 331.605C, subsection 4, Code 2005, is
7 amended to read as follows:
8 4. The local government electronic transaction fund is
9 established in the office of the treasurer of state under the
10 control of the treasurer of state. Moneys deposited into the
11 fund are not subject to section 8.33. Notwithstanding section
12 12C.7, interest or earnings on moneys in the local government
13 electronic transaction fund shall be credited to the fund.
14 Moneys in the local government electronic transaction fund are
15 not subject to transfer, appropriation, or reversion to any
16 other fund, or any other use except as provided in this
17 subsection. On a monthly basis, the county treasurer shall
18 pay each fee collected pursuant to subsection 2 to the
19 treasurer of state for deposit into the local government
20 electronic transaction fund. Moneys credited to the local
21 government electronic transaction fund are appropriated to the
22 treasurer of state to be used for the purpose of paying the
23 ongoing costs of <u>integrating and</u> maintaining the statewide
24 internet website developed and implemented under subsection 1.
25 Sec. 79. DEPARTMENT OF ADMINISTRATIVE SERVICES REVIEW.
26 1. The information technology enterprise in the department
27 of administrative services shall commence a review and
28 assessment of the implementation of the county land record
29 information system created pursuant to section 331.605C and a
30 data security audit. The review and assessment shall include
31 but not be limited to a review of the functional and system
32 requirements, design documentation, software code developed to
33 support the business requirements, operational procedures,
34 financial flows including a financial forecast, requests for
35 proposals, and all contracts. The data security audit shall

1 be completed separately, but in conjunction with the system
2 review and assessment.
3 2. The information technology enterprise shall be paid for
4 the costs of the assessment and audit based on the
5 enterprise's published rates. Payments shall be made from
6 funds collected pursuant to section 331.605C, subsection 2,
7 and deposited with the treasurer of state.
8 3. The information technology enterprise shall provide at
9 minimum two updates to the government oversight committees
10 regarding the progress of the review and assessment on or
11 before December 1, 2005. The government oversight committees
12 may request additional updates.
13 4. The information technology enterprise shall provide a
14 final report regarding the activities completed pursuant to
15 this section, including any recommendations, by no later than
16 December 30, 2005.
17 5. The department of administrative services shall
18 facilitate dialogue to integrate the county land record
19 information system created pursuant to section 331.605C with
20 electronic government internet applications of county
21 treasurers, county recorders, county auditors, and county
22 assessors. The department shall file an integration plan with
23 the general assembly on or before November 1, 2005. The plan
24 shall include integration concepts of the county treasurers,
25 county recorders, county auditors, and county assessors.
26 Sec. 80. COUNTY LAND RECORD INFORMATION SYSTEM --
27 ADDITIONAL PROVISIONS.
28 1. The board of supervisors of each county, on behalf of
29 each county recorder, shall execute a chapter 28E agreement
30 with the Iowa county recorders association for the
31 implementation of the county land record information system.
32 Such agreement shall require the Iowa county recorders
33 association to execute contracts necessary for implementation
34 of the county land record information system. The department
35 of administrative services shall prescribe a uniform chapter

1 28E agreement to be used by the counties, allowing for
2 variances as to each county. The Iowa county recorders
3 association shall submit to the general assembly on or before
4 November 1, 2005, a long-range business plan for implementing
5 and maintaining the county land record information system,
6 including a plan for integrating the system with electronic
7 government and internet applications of other governmental
8 entities.
9 2. The auditor of state shall conduct an audit of the fees
10 collected pursuant to section 331.605C for the purpose of
11 determining the amount of fees collected and the uses for
12 which such fees have been and are being expended. Audit
13 results shall be filed with the general assembly on or before
14 November 1, 2005. The cost of the audit, not to exceed five
15 thousand dollars, shall be paid from the local government
16 electronic transaction fund in the office of the treasurer of
17 state.
18 3. County recorders shall collect only statutorily
19 authorized fees for land records management. County recorders
20 shall not collect fees for viewing, accessing, or printing
21 electronic land management documents until authorized by the
22 general assembly.
23 4. The Iowa state association of counties shall provide
24 information to the government oversight committees and the
25 department of administrative services on or before July 1,
26 2005, defining all types of land management records,
27 identifying each county or state office that holds such
28 records, and specifying the fees associated with each of the
29 different types of records.
30 5. The fees collected, including those previously
31 collected and deposited locally, pursuant to section 331.605C,
32 shall be transferred to the treasurer of state for deposit
33 into the local government electronic transaction fund.
34 Sec. 81. EFFECTIVE DATE. This division of this Act, being
35 deemed of immediate importance, takes effect upon enactment.

DIVISION VIII
CORRECTIVE PROVISIONS

Sec. 82. Section 8A.502, subsection 5, paragraph c, Code 2005, is amended to read as follows:

c. The Iowa dairy industry commission as established in chapter 179, the Iowa beef cattle producers association as established in chapter 181, the Iowa pork producers council as established in chapter 183A, the Iowa egg council as established in chapter 184, the Iowa turkey marketing council as established in chapter 184A, the Iowa soybean ~~promotion board~~ association as ~~established~~ provided in chapter 185, and the Iowa corn promotion board as established in chapter 185C.

Sec. 83. Section 8A.502, subsection 10, Code 2005, is amended to read as follows:

10. Entities representing agricultural producers. To control the financial operations of the Iowa dairy industry commission as provided in chapter 179, the Iowa beef cattle producers association as provided in chapter 181, the Iowa pork producers council as provided in chapter 183A, the Iowa egg council as provided in chapter 184, the Iowa turkey marketing council as provided in chapter 184A, the Iowa soybean ~~promotion board~~ association as provided in chapter 185, and the Iowa corn promotion board as provided in chapter 185C.

Sec. 84. Section 10A.104, subsections 12 and 13, Code 2005, are amended by striking the subsections.

Sec. 85. Section 12D.9, subsection 2, Code 2005, is amended to read as follows:

2. State income tax treatment of the Iowa educational savings plan trust shall be as provided in section 422.7, subsections 32~~,~~ and 33~~, and 34, and section 422.35, subsection 14~~.

Sec. 86. Section 15.104, subsection 4, unnumbered paragraph 1, Code 2005, as amended by 2005 Iowa Acts, Senate File 205, section 5, is amended to read as follows:

1 Review and approve or disapprove a life science enterprise
2 plan or amendments to that plan as provided in chapter 10C ~~as~~
3 ~~that chapter exists on or before June 30, 2005,~~ and according
4 to rules adopted by the board. A life science plan shall make
5 a reasonable effort to provide for participation by persons
6 who are individuals or family farm entities actively engaged
7 in farming as defined in section 10.1. The persons may
8 participate in the life science enterprise by holding an
9 equity position in the life science enterprise or providing
10 goods or service to the enterprise under contract. The plan
11 must be filed with the board not later than June 30, 2005.
12 The life science enterprise may file an amendment to a plan at
13 any time. A life science enterprise is not eligible to file a
14 plan, unless the life science enterprise files a notice with
15 the board. The notice shall be a simple statement indicating
16 that the life science enterprise may file a plan as provided
17 in this section. The notice must be filed with the board not
18 later than June 1, 2005. The notice, plan, or amendments
19 shall be submitted by a life science enterprise as provided by
20 the board. The board shall consult with the department of
21 agriculture and land stewardship during its review of a life
22 science plan or amendments to that plan. The plan shall
23 include information regarding the life science enterprise as
24 required by rules adopted by the board, including but not
25 limited to all of the following:
26 Sec. 87. Section 15H.3, subsection 5, if enacted by 2005
27 Iowa Acts, House File 478, section 3, is amended to read as
28 follows:
29 5. Members shall serve staggered terms of three years
30 beginning ~~and ending as provided by section 69.19~~ July 1.
31 Members of the commission shall serve no more than two three-
32 year terms. Any vacancy shall be filled in the same manner as
33 the original appointment.
34 Sec. 88. Section 97.51, subsections 4 and 6, Code 2005,
35 are amended to read as follows:

1 4. Any public employee subject to coverage under the
2 provisions of chapter 97, Code 1950, as amended, in public
3 service as of June 30, 1953, and who has not applied for and
4 qualified for benefit payments under the provisions of chapter
5 97, Code 1950, as amended, who had contributed to the Iowa
6 old-age and survivors' insurance fund prior to the repeal of
7 ~~said~~ chapter 97, Code 1950, as amended, shall be entitled to a
8 refund of contributions paid into the Iowa old-age and
9 survivors' insurance fund by such employee without interest,
10 but there shall be deducted from the amount of any such refund
11 any amount which has been or will be paid in the employee's
12 behalf as the employee's contribution as an employee to obtain
13 retroactive federal social security coverage. Any former
14 public employee not in public service as of June 30, 1953, who
15 has contributed to the Iowa old-age and survivors' insurance
16 fund, the employee's beneficiaries or estate, when no benefit
17 has been paid under chapter 97, Code 1950, based upon such
18 employee's prior record, shall be entitled to a refund of
19 seventy-five percent of all contributions paid by the employee
20 into said fund, without interest. The department shall
21 prescribe rules in regard to the granting of such refunds. In
22 the event of such refund any individual receiving the same
23 shall be deemed to have waived any and all rights in behalf of
24 the individual or any beneficiary or the individual's estate
25 to further benefits under the provisions of chapter 97, Code
26 1950, as amended.
27 6. In the payment of any benefits in the future, as a
28 result of the provisions of chapter 97, Code 1950, as amended,
29 the department shall follow the same procedure as provided by
30 ~~said~~ chapter 97, Code 1950, as amended, as though said chapter
31 had not been repealed, except the requirements of ~~section~~
32 ~~97.21,~~ subsection 4, paragraph "a", and subsection 5 of
33 section 97.21, ~~subsection 5~~ Code 1950, shall not be
34 applicable, but no primary benefit, based upon employment
35 prior to June 30, 1953, shall be paid to any individual for

1 any month during which the individual receives compensation
2 for work in any position which would have been subject to
3 coverage under the provisions of ~~said~~ chapter 97, Code 1950,
4 as amended, if the individual's earnings for such month exceed
5 one hundred dollars, nor shall any benefit be paid to a wife
6 or dependent of such employee for such months, except that
7 after a retired member reaches the age of seventy-two years,
8 the member, the member's wife and dependents shall be entitled
9 to the benefits of this chapter regardless of the amount
10 earned.
11 Sec. 89. Section 97B.1A, subsection 8, paragraph b,
12 subparagraph (5), Code 2005, is amended to read as follows:
13 (5) Employees of the Iowa dairy industry commission
14 established under chapter 179, the Iowa beef cattle producers
15 association established under chapter 181, the Iowa pork
16 producers council established under chapter 183A, the Iowa
17 turkey marketing council established under chapter 184A, the
18 Iowa soybean ~~promotion board established under~~ association as
19 provided in chapter 185, the Iowa corn promotion board
20 established under chapter 185C, and the Iowa egg council
21 established under chapter 184.
22 Sec. 90. Section 99D.13, subsection 2, Code 2005, is
23 amended to read as follows:
24 2. Winnings from each racetrack forfeited under subsection
25 1 shall escheat to the state and to the extent appropriated by
26 the general assembly shall be used by the department of
27 agriculture and land stewardship to administer section 99D.22.
28 The remainder shall be paid over to the commission to pay all
29 or part of the cost of drug testing at the tracks. To the
30 extent the remainder paid over to the commission, less the
31 cost of drug testing, is from unclaimed winnings from harness
32 ~~racing meets~~ race meetings, the remainder shall be used as
33 provided in subsection 3. To the extent the remainder paid to
34 the commission, less the cost of drug testing, is from
35 unclaimed winnings from licensed dog tracks, the commission

1 shall remit annually five thousand dollars, or an equal
2 portion of that amount, to each licensed dog track to carry
3 out the racing dog adoption program pursuant to section
4 99D.27. To the extent the remainder paid over to the
5 commission, less the cost of drug testing, is from unclaimed
6 winnings from tracks licensed for dog or horse races, the
7 commission, on an annual basis, shall remit one-third of the
8 amount to the treasurer of the city in which the racetrack is
9 located, one-third of the amount to the treasurer of the
10 county in which the racetrack is located, and one-third of the
11 amount to the racetrack from which it was forfeited. If the
12 racetrack is not located in a city, then one-third shall be
13 deposited as provided in chapter 556. The amount received by
14 the racetrack under this subsection shall be used only for
15 retiring the debt of the racetrack facilities and for capital
16 improvements to the racetrack facilities.
17 Sec. 91. Section 99D.13, subsection 3, unnumbered
18 paragraph 1, Code 2005, is amended to read as follows:
19 One hundred twenty thousand dollars of winnings from wagers
20 placed at harness ~~racing meets~~ race meetings forfeited under
21 subsection 1 in a calendar year that escheat to the state and
22 are paid over to the commission are appropriated to the racing
23 commission for the fiscal year beginning in that calendar year
24 to be used as follows:
25 Sec. 92. Section 126.23A, subsection 1, paragraph a,
26 subparagraph (1), as enacted by 2005 Iowa Acts, Senate File
27 169, section 3, is amended to read as follows:
28 (1) Sell a product ~~that contains more than three hundred~~
29 ~~sixty milligrams of pseudoephedrine~~ in violation of section
30 124.212, subsection 4.
31 Sec. 93. Section 126.23A, subsection 1, paragraph b,
32 subparagraph (3), as enacted by 2005 Iowa Acts, Senate File
33 169, section 3, is amended to read as follows:
34 (3) Require the purchaser to ~~legibly~~ sign a logbook and to
35 also require the purchaser to legibly print the purchaser's

1 name and address in the logbook.
2 Sec. 94. Section 126.23A, subsection 3, as enacted by 2005
3 Iowa Acts, Senate File 169, section 3, is amended to read as
4 follows:
5 3. A purchaser shall ~~legibly~~ sign the logbook and also
6 legibly print the purchaser's name and address in the logbook.
7 Sec. 95. Section 135.43, subsection 3, paragraph g, as
8 enacted in 2005 Iowa Acts, House File 190, section 2, is
9 amended to read as follows:
10 g. In order to assist ~~another~~ a division of the department
11 in performing the division's duties, if the division does not
12 otherwise have access to the information, share information
13 possessed by the review team. The division receiving the
14 information shall maintain the confidentiality of the
15 information in accordance with this section. Unauthorized
16 release or disclosure of the information received is subject
17 to penalty as provided in this section.
18 Sec. 96. Section 147.105, subsection 2, as enacted by 2005
19 Iowa Acts, House File 418, section 1, is amended to read as
20 follows:
21 2. Except as provided under subsections 5 and 6, a
22 clinical laboratory or a physician providing anatomic
23 pathology services to patients in this state shall not,
24 directly or indirectly, charge, bill, or otherwise solicit
25 payment for such services unless the services were personally
26 rendered by ~~a~~ the clinical laboratory or the physician or
27 under the direct supervision of ~~a~~ the clinical laboratory or
28 the physician in accordance with section 353 of the federal
29 Public Health Service Act, 42 U.S.C. § 263a.
30 Sec. 97. Section 231C.2, subsection 9, as amended by 2005
31 Iowa Acts, House File 585, section 3, is amended to read as
32 follows:
33 9. "Personal care" means assistance with the essential
34 activities of daily living~~,~~ which may include but are not
35 limited to transferring, bathing, personal hygiene, dressing,

1 grooming, and housekeeping~~,~~ that are essential to the health
2 and welfare of the tenant.
3 Sec. 98. Section 249.1, subsection 4, Code 2005, is
4 amended to read as follows:
5 4. "Previous categorical assistance programs" means the
6 aid to the blind program authorized by chapter 241, the aid to
7 the disabled program authorized by chapter 241A and the old-
8 age assistance program authorized by chapter 249 ~~of the~~, Code
9 ~~of~~ 1973.
10 Sec. 99. Section 249.10, Code 2005, is amended to read as
11 follows:
12 249.10 PRIOR LIENS, CLAIMS AND ASSIGNMENTS.
13 Any lien or claim against the estate of a decedent existing
14 on January 1, 1974, which lien was perfected or which claim
15 was filed under the provisions of section 249.19, 249.20, or
16 249.21 ~~as they appeared in the~~, Code ~~of~~ 1973, and prior Codes,
17 and which liens or claims have not been satisfied, are void.
18 Any assignment of personal property which was made under the
19 provisions of chapter 249 ~~as it appeared in the~~, Code ~~of~~ 1973,
20 and prior Codes, is void. The director may in furtherance of
21 this section release any lien or claim created or existing
22 under that chapter. Each release made pursuant to this
23 section shall be executed and acknowledged by the director or
24 the director's authorized designee, and when recorded shall be
25 conclusive in favor of any third person dealing with or
26 concerning the property affected by the release in reliance
27 upon such record.
28 Sec. 100. Section 257.28, Code 2005, is amended to read as
29 follows:
30 257.28 ENRICHMENT LEVY.
31 If a school district has approved the use of the
32 instructional support program for a budget year, the district
33 shall not also collect moneys under the additional enrichment
34 amount approved by the voters under chapter 442, ~~as it~~
35 ~~appeared in~~ Code 1991, for the budget year.

1 Sec. 101. Section 307.12, subsection 5, Code 2005, is
2 amended to read as follows:
3 5. Prepare a budget for the department~~,--subject-to-the~~
4 ~~approval-of-the-commission,~~ and prepare reports required by
5 law.
6 Sec. 102. Section 321.43, Code 2005, is amended to read as
7 follows:
8 321.43 NEW IDENTIFYING NUMBERS.
9 The department may assign a distinguishing number to a
10 vehicle when the ~~serial~~ vehicle identification number on the
11 vehicle is destroyed or obliterated and issue to the owner a
12 special plate bearing the distinguishing number which shall be
13 affixed to the vehicle in a position to be determined by the
14 director. The vehicle shall be registered and titled under
15 the distinguishing number in lieu of the former ~~serial~~ vehicle
16 identification number.
17 Sec. 103. Section 321.65, Code 2005, is amended to read as
18 follows:
19 321.65 GARAGE RECORD.
20 Every person or corporation operating a public garage shall
21 keep for public inspection a record of the registration number
22 and engine ~~or-factory~~ serial number or manufacturer's vehicle
23 identification number of every motor vehicle offered for sale
24 or taken in for repairs in said garage.
25 Sec. 104. Section 321.90, subsection 2, paragraph b, Code
26 2005, is amended to read as follows:
27 b. The application shall set out the name and address of
28 the applicant, and the year, make, model, and ~~serial~~ vehicle
29 identification number of the motor vehicle, if ascertainable,
30 together with any other identifying features, and shall
31 contain a concise statement of the facts surrounding the
32 abandonment, or a statement that the title of the motor
33 vehicle is lost or destroyed, or the reasons for the defect of
34 title in the owner. The applicant shall execute an affidavit
35 stating that the facts alleged are true and that no material

1 fact has been withheld. An order for disposal obtained
2 pursuant to section 555B.8, subsection 3, satisfies the
3 application requirements of this paragraph.
4 Sec. 105. Section 327B.1, subsection 6, as enacted by 2005
5 Iowa Acts, House File 591, section 10, is amended to read as
6 follows:
7 6. A motor carrier ~~owner-or-driver~~ shall ~~carry~~ keep proper
8 evidence of interstate authority in the motor ~~carrier~~ vehicle
9 being operated by the motor carrier and the motor carrier
10 owner or driver shall make such evidence available to a peace
11 officer upon request.
12 Sec. 106. Section 331.606, subsection 3, Code 2005, is
13 amended to read as follows:
14 3. The county recorder may give the county sheriff the
15 records filed under this chapter or chapter 695 ~~of prior~~
16 ~~Codes~~, Code 1977, pertaining to the sale and registration of
17 weapons or may dispose of those records if the sheriff does
18 not wish to receive the records.
19 Sec. 107. Section 602.1304, subsection 2, paragraph b,
20 Code 2005, as amended by 2005 Acts, House File 826, section 3,
21 is amended to read as follows:
22 b. For each fiscal year, a judicial collection estimate
23 for that fiscal year shall be equally and proportionally
24 divided into a quarterly amount. The judicial collection
25 estimate shall be calculated by using the state revenue
26 estimating conference estimate made by December 15 pursuant to
27 section 8.22A, subsection 3, of the total amount of fines,
28 fees, civil penalties, costs, surcharges, and other revenues
29 collected by judicial officers and court employees for deposit
30 into the general fund of the state. The revenue estimating
31 conference estimate shall be reduced by the maximum amounts
32 allocated to the Iowa prison infrastructure fund pursuant to
33 section 602.8108A, the court technology and modernization fund
34 pursuant to section 602.8108, subsection 7, the judicial
35 branch pursuant to section 602.8108, subsection 7A, and the

1 road use tax fund pursuant to section 602.8108, subsection 8,
2 ~~and amounts allocated to the department of public safety's~~
3 ~~vehicle depreciation account pursuant to section 602.8108,~~
4 ~~subsection 9,~~ and the remainder shall be the judicial
5 collection estimate. In each quarter of a fiscal year, after
6 revenues collected by judicial officers and court employees
7 equal to that quarterly amount are deposited into the general
8 fund of the state, after the required amount is deposited
9 during the quarter into the Iowa prison infrastructure fund
10 pursuant to section 602.8108A and into the court technology
11 and modernization fund pursuant to section 602.8108,
12 subsection 7, and after the required amount is allocated to
13 the judicial branch pursuant to section 602.8108, subsection
14 7A, ~~and to the department of public safety's vehicle~~
15 ~~depreciation account pursuant to section 602.8108, subsection~~
16 ~~9,~~ the director of the department of administrative services
17 shall deposit the remaining revenues for that quarter into the
18 enhanced court collections fund in lieu of the general fund.
19 However, after total deposits into the collections fund for
20 the fiscal year are equal to the maximum deposit amount
21 established for the collections fund, remaining revenues for
22 that fiscal year shall be deposited into the general fund. If
23 the revenue estimating conference agrees to a different
24 estimate at a later meeting which projects a lesser amount of
25 revenue than the initial estimate amount used to calculate the
26 judicial collection estimate, the director of the department
27 of administrative services shall recalculate the judicial
28 collection estimate accordingly. If the revenue estimating
29 conference agrees to a different estimate at a later meeting
30 which projects a greater amount of revenue than the initial
31 estimate amount used to calculate the judicial collection
32 estimate, the director of the department of administrative
33 services shall recalculate the judicial collection estimate
34 accordingly but only to the extent that the greater amount is
35 due to an increase in the fines, fees, civil penalties, costs,

1 surcharges, or other revenues allowed by law to be collected
2 by judicial officers and court employees.
3 Sec. 108. Section 602.8108, subsection 2, Code 2005, as
4 amended by 2005 Acts, House File 826, section 5, is amended to
5 read as follows:
6 2. Except as otherwise provided, the clerk of the district
7 court shall report and submit to the state court
8 administrator, not later than the fifteenth day of each month,
9 the fines and fees received during the preceding calendar
10 month. Except as provided in subsections 3, 4, 5, 7, 7A, and
11 8, ~~and 9,~~ the state court administrator shall deposit the
12 amounts received with the treasurer of state for deposit in
13 the general fund of the state. The state court administrator
14 shall report to the legislative services agency within thirty
15 days of the beginning of each fiscal quarter the amount
16 received during the previous quarter in the account
17 established under this section.
18 Sec. 109. Section 633.10, subsection 5, Code 2005, is
19 amended to read as follows:
20 5. ACTIONS FOR ACCOUNTING.
21 An action for an accounting against a beneficiary of a
22 transfer on death security registration, pursuant to ~~this~~
23 chapter 633D.
24 Sec. 110. CONTINGENT EFFECTIVE DATE. The section of this
25 division of this Act amending section 10A.104 is contingent
26 upon the enactment of 2005 Iowa Acts, House File 770.
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**HOUSE FILE 882**

**S-3235**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 18, by inserting after line 30 the
4 following:
5 "Sec. ___. Section 364.17, subsection 3, paragraph
6 a, Code 2005, is amended to read as follows:
7 a. A schedule of civil penalties or criminal fines
8 for violations. A city may charge the owner of
9 housing a late payment fee of twenty-five dollars and
10 may add interest of up to one and one-half percent per
11 month if a penalty or fine imposed under this
12 paragraph is not paid within thirty days of the date
13 that the penalty or fine is due. The city shall send
14 a notice of the late payment fee to such owner by
15 first class mail to the owner's personal or business
16 mailing address. The late payment fee and the
17 interest shall not accrue if such owner files an
18 appeal with either the city, if the city has
19 established an appeals procedure, or the district
20 court. Any unpaid penalty, fine, fee, or interest
21 shall constitute a lien on the real property and may
22 be collected in the same manner as a property tax.
23 However, before a lien is filed, the city shall send a
24 notice of intent to file a lien to the owner of
25 housing by first class mail to such owner's personal
26 or business mailing address.
27 Sec. ___. Section 364.17, subsection 5, Code 2005,
28 is amended to read as follows:
29 5. Cities may establish reasonable fees for
30 inspection and enforcement procedures. A city may
31 charge the owner of housing a late payment penalty of
32 twenty-five dollars and may add interest of up to one
33 and one-half percent per month if a fee imposed under
34 this subsection is not paid within thirty days of the
35 date that the fee is due. The city shall send a
36 notice of the late payment penalty to such owner by
37 first class mail to the owner's personal or business
38 mailing address. The late payment penalty and the
39 interest shall not accrue if such owner files an
40 appeal with either the city, if the city has
41 established an appeals procedure, or the district
42 court. Any unpaid fee, penalty, or interest shall
43 constitute a lien on the real property and may be
44 collected in the same manner as a property tax.
45 However, before a lien is filed, the city shall send a
46 notice of intent to file a lien to the owner of
47 housing by first class mail to such owner's personal
48 or business mailing address."

**By** HERMAN C. QUIRMBACH
DOUG SHULL
KEITH A. KREIMAN
HUBERT M. HOUSER
JEFF DANIELSON
RON WIECK

**S-3235** FILED MAY 3, 2005

S-3249

Amend House File 882, as amended, passed, and reprinted by the House, as follows:

1. Page 18, by inserting after line 11 the following:

"Sec. ___. Section 99B.10, subsection 1, Code 2005, is amended to read as follows:

1. A prize of ~~merchandise exceeding five dollars in value or~~ cash shall not be awarded for use of the device. However, a mechanical or amusement device may be designed or adapted to award a prize or one or more free games or portions of games without payment of additional consideration by the participant.

Sec. ___. Section 99B.10, subsection 4, Code 2005, is amended to read as follows:

4. Each electrical and mechanical amusement device in operation or distributed in this state that awards a prize, as provided in this section, where the outcome is not primarily determined by the skill or knowledge of the operator, is registered by the department as provided by this subsection and is only located on premises for which a class "A", class "B", class "C", or class "D" liquor control license or class "B" or class "C" beer permit has been issued pursuant to chapter 123. ~~For an organization that meets the requirements of section 99B.7, subsection 1, paragraph "m", no more than four, and for all other persons, no more than two electrical and mechanical amusement devices registered as provided by this subsection shall be permitted or offered for use in any single location or premises for which a class "A", class "B", class "C", or class "D" liquor control license or class "B" or class "C" beer permit has been issued pursuant to chapter 123.~~ Each person owning an electrical and mechanical amusement device in this state shall obtain a registration tag for each electrical and mechanical amusement device owned that is required to be registered as provided in this subsection. Upon receipt of an application and a fee of twenty-five dollars for each device required to be registered, the department shall issue an annual registration tag which tag shall be displayed as required by rules adopted by the department. The application shall be submitted on forms designated by the department and contain the information required by rule of the department. A registration may be renewed annually upon submission of a registration application and payment of the annual registration fee and compliance with this chapter and the rules adopted pursuant to this chapter. ~~However, the number of electrical and mechanical amusement devices registered~~

1 ~~by the department under this subsection shall not~~
2 ~~exceed the total number of devices registered by the~~
3 ~~department as of April 28, 2004. In addition, the~~
4 ~~department shall not initially register an electrical~~
5 ~~and mechanical amusement device that is required to be~~
6 ~~registered as provided in this subsection to an owner~~
7 ~~for a location for which only a class "B" or class "C"~~
8 ~~beer permit has been issued pursuant to chapter 123 on~~
9 ~~or after April 28, 2004.~~ A person owning or leasing
10 an electrical and mechanical amusement device required
11 to be registered under this subsection shall only own
12 or lease an electrical and mechanical amusement device
13 that is required to be registered that has been
14 purchased from a manufacturer, manufacturer's
15 representative, or distributor registered with the
16 department under section 99B.10A and shall not
17 advertise or promote the availability of the device to
18 the public as anything other than an electrical and
19 mechanical amusement device pursuant to rules adopted
20 by the department. ~~In addition, an owner at a~~
21 ~~location for which only a class "B" or class "C" beer~~
22 ~~permit has been issued pursuant to chapter 123 shall~~
23 ~~not relocate an amusement device registered as~~
24 ~~provided in this subsection to a location other than~~
25 ~~the location of the device on April 28, 2004, and~~
26 ~~shall not transfer, assign, sell, or lease an~~
27 ~~amusement device registered as provided in this~~
28 ~~subsection to another person for which only a class~~
29 ~~"B" or class "C" beer permit has been issued pursuant~~
30 ~~to chapter 123 after April 28, 2004.~~"
31 2. By renumbering as necessary.

**By** JEFF ANGELO

**S-3249** FILED MAY 4, 2005

**HOUSE FILE 882**

**S-3265**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 18, by inserting after line 27 the
4 following:
5 "Sec. ___. Section 147.105, subsection 8,
6 paragraph a, subparagraph (2), as enacted by 2005 Iowa
7 Acts, House File 418, section 1, is amended to read as
8 follows:
9 (2) Cytopathology, meaning the examination of
10 cells from fluids, aspirates, washings, brushings, or
11 smears, ~~including~~ excluding the pap test examination,
12 performed by a physician or under the supervision of a
13 physician."
14 2. By renumbering as necessary.

**By** STEVEN H. WARNSTADT

**S-3265** FILED MAY 4, 2005

**HOUSE FILE 882**

**S-3266**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 19, by inserting after line 12 the
4 following:
5 "Sec. ___. Section 423.3, subsection 10, Code
6 2005, is amended by adding the following new
7 unnumbered paragraph:
8 NEW UNNUMBERED PARAGRAPH. This exemption also
9 applies to vehicles subject to registration that are
10 transferred from an S corporation to another S
11 corporation where both S corporations are engaged in
12 the business of transportation or relocation of
13 residential and commercial tangible personal property
14 and the ownership of the S corporations engaged in the
15 transfer of the vehicles subject to registration are
16 identical."
17 2. Page 24, by inserting before line 1 the
18 following:
19 "Sec. ___. REFUNDS. Refunds of taxes, interest,
20 or penalties which arise from claims resulting from
21 the amendment to section 423.3, subsection 10, in this
22 division of this Act, for the transfer of vehicles
23 subject to registration occurring between January 1,
24 2001, and the effective date of the section amending
25 section 423.3, subsection 10, in this division of this
26 Act, shall be limited to twenty-five thousand dollars
27 in the aggregate and shall not be allowed unless
28 refund claims are filed prior to October 1, 2005,
29 notwithstanding any other provision of law. If the
30 amount of claims totals more than twenty-five thousand
31 dollars in the aggregate, the department of revenue
32 shall prorate the twenty-five thousand dollars among
33 all claimants in relation to the amounts of the
34 claimants' valid claims.
35 Sec. ___. RETROACTIVE APPLICABILITY. The section
36 of this division of this Act amending section 423.3,
37 subsection 10, being deemed of immediate importance,
38 takes effect upon enactment, and applies retroactively
39 to January 1, 2001."
40 3. Title page, line 1, by inserting after the
41 word "Act" the following: "relating to state finances
42 by providing for certain tax exemptions and".

**By** DAVE MULDER

**S-3266** FILED MAY 5, 2005

# HOUSE FILE 882

**S-3269**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 19, by inserting after line 12 the
4 following:
5 "Sec. ___. Section 422.12, subsection 1, paragraph
6 c, Code 2005, is amended to read as follows:
7 c. For each dependent, an additional ~~forty~~ eighty
8 dollars. As used in this section, the term
9 "dependent" has the same meaning as provided by the
10 Internal Revenue Code."
11 2. Page 24, by inserting after line 27 the
12 following:
13 "Sec. ___. RETROACTIVE AND APPLICABILITY DATE.
14 The section of this division of this Act amending
15 section 422.12, subsection 1, applies retroactively to
16 January 1, 2005, for tax years beginning on or after
17 that date."

**By** DAVE MULDER

**S-3269** FILED MAY 5, 2005

**HOUSE FILE 882**

**S-3270**

Amend House File 882, as amended, passed, and reprinted by the House, as follows:

1. Page 18, by inserting after line 30 the following:

"Sec. ___. Section 257.17, Code 2005, is amended to read as follows:

257.17 AID REDUCTION FOR EARLY SCHOOL STARTS.

State aid payments made pursuant to section 257.16 for a fiscal year shall be reduced by one one-hundred-eightieth for each day of that fiscal year for which the school district begins school before the earliest starting date specified in section 279.10, subsection 1. ~~However, this section does not apply to a school district that has received approval from the director of the department of education under section 279.10, subsection 4, to commence classes for regularly established elementary and secondary schools in advance of the starting date established in section 279.10, subsection 1.~~

Sec. ___. Section 279.10, subsection 1, Code 2005, is amended to read as follows:

1. The school year shall begin on the first day of July and each regularly established elementary and secondary school shall begin no sooner than ~~a day during the calendar week in which the first day of September falls~~ August 22 but no later than the first Monday in December. ~~However, if the first day of September falls on a Sunday, school may begin on a day during the calendar week which immediately precedes the first day of September.~~ School shall continue for at least one hundred eighty days, except as provided in subsection 3, and may be maintained during the entire calendar year. However, if the board of directors of a district extends the school calendar because inclement weather caused the district to temporarily close school during the regular school calendar, the district may excuse a graduating senior who has met district or school requirements for graduation from attendance during the extended school calendar. A school corporation may begin employment of personnel for in-service training and development purposes before the date to begin elementary and secondary school."

2. Page 18, by inserting before line 31 the following:

"Sec. ___. Section 279.10, subsection 4, Code 2005, is amended by striking the subsection."

3. By renumbering as necessary.

**By** JOHN PUTNEY

**S-3270** FILED MAY 5, 2005

**HOUSE FILE 882**

**S-3271**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 5, by inserting after line 11 the
4 following:
5 "Sec. ___. DEPARTMENT OF CULTURAL AFFAIRS --
6 NONPROFIT MUSIC ENTITIES. There is appropriated from
7 the general fund of the state to the department of
8 cultural affairs for the fiscal year beginning July 1,
9 2005, and ending June 30, 2006, fifty thousand dollars
10 for purposes of providing two twenty-five thousand
11 dollar grants to nonprofit music entities. A
12 recipient of a grant shall be a nonprofit entity that
13 is formed with members including local musicians,
14 music promoters, representatives of music venues and
15 businesses, community leaders, and live music
16 enthusiasts who discuss, assess, and expedite the
17 implementation of a unified music agenda for a local
18 community and aggressively advocates, sponsors, and
19 develops an independent, progressive live music
20 economy in a local community."
21 2. By renumbering as necessary.

**By** MICHAEL E. GRONSTAL
JEFF LAMBERTI

**S-3271** FILED MAY 5, 2005

**HOUSE FILE 882**

**S-3272**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 24, by inserting after line 29, the
4 following:
5 "Sec. ___. CRIMINAL CODE REVISIONS INTERIM STUDY
6 COMMITTEE. There is appropriated from the general
7 fund of the state to the legislative council for the
8 fiscal year beginning July 1, 2005, and ending June
9 30, 2006, the following amount, or so much thereof as
10 is necessary, to be used for the purpose designated:
11 For a criminal code revisions interim study
12 committee:
13 ..... $ 75,000
14 The funds appropriated in this section are
15 contingent upon receipt by the general fund of the
16 state of an amount not exceeding $75,000 from costs or
17 attorney fees awarded the state in settlement of its
18 antitrust action against Microsoft brought under
19 chapter 553. However, if the amounts received as a
20 result of this settlement are in excess of $75,000,
21 the excess amounts shall not be appropriated to the
22 legislative council pursuant to this section. If the
23 appropriation made in this section occurs, the amount
24 appropriated from the same source to the department of
25 public safety for the same fiscal year to be used for
26 vehicle depreciation, in accordance with 2005 Iowa
27 Acts, House File 811, is reduced by $75,000."
28 2. By renumbering as necessary.

**By** DAVID MILLER

**S-3272** FILED MAY 5, 2005

S-3274

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 26 the
4 following:
5 "DIVISION
6 REAL ESTATE TRANSFER TAX RECEIPTS
7 Sec. ___. Section 428A.8, Code 2005, is amended to
8 read as follows:
9 428A.8 REMITTANCE TO STATE TREASURER -- PORTION
10 RETAINED IN COUNTY.
11 1. On or before the tenth day of each month the
12 county recorder shall determine and pay to the
13 treasurer of state eighty-two and three-fourths
14 percent of the receipts from the real estate transfer
15 tax collected during the preceding month and the
16 treasurer of state shall deposit ~~ninety-five percent~~
17 ~~of the receipts in the general fund of the state~~ and
18 transfer ~~five percent of~~ the receipts ~~to the shelter~~
19 ~~assistance fund created in section 15.349~~ as provided
20 in subsection 2.
21 The county recorder shall deposit the remaining
22 seventeen and one-fourth percent of the receipts in
23 the county general fund.
24 Any tax or additional tax found to be due shall be
25 collected by the county recorder. If the county
26 recorder is unable to collect the tax, the director of
27 revenue shall collect the tax in the same manner as
28 taxes are collected in chapter 422, division III. If
29 collected by the director of revenue, the director
30 shall pay the county its proportionate share of the
31 tax. Section 422.25, subsections 1, 2, 3, and 4, and
32 sections 422.26, 422.28 through 422.30, and 422.73,
33 consistent with this chapter, apply with respect to
34 the collection of any tax or additional tax found to
35 be due, in the same manner and with the same effect as
36 if the deed, instrument, or writing were an income tax
37 return within the meaning of those statutes.
38 The county recorder shall keep records and make
39 reports with respect to the real estate transfer tax
40 as the director of revenue prescribes.
41 2. The treasurer of state shall deposit or
42 transfer the receipts paid the treasurer of state
43 pursuant to subsection 1 to either the general fund of
44 the state, the housing trust fund created in section
45 16.181, or the shelter assistance fund created in
46 section 15.349 as follows:
47 a. For the fiscal year beginning July 1, 2005,
48 ninety-five percent of the receipts shall be deposited
49 in the general fund and five percent of the receipts
50 shall be transferred to the shelter assistance fund.

b. For the fiscal year beginning July 1, 2006, ninety-five percent of the receipts, less one million dollars which shall be transferred to the housing trust fund, shall be deposited in the general fund and five percent of the receipts shall be transferred to the shelter assistance fund.

c. For the fiscal year beginning July 1, 2007, ninety-five percent of the receipts, less two million dollars which shall be transferred to the housing trust fund, shall be deposited in the general fund and five percent of the receipts shall be transferred to the shelter assistance fund.

d. For the fiscal year beginning July 1, 2008, seventy percent of the receipts shall be deposited in the general fund, twenty-five percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund.

e. For the fiscal year beginning July 1, 2009, sixty-five percent of the receipts shall be deposited in the general fund, thirty percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund.

f. For the fiscal year beginning July 1, 2010, sixty percent of the receipts shall be deposited in the general fund, thirty-five percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund.

g. For the fiscal year beginning July 1, 2011, fifty-five percent of the receipts shall be deposited in the general fund, forty percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund.

h. For the fiscal year beginning July 1, 2012, and each fiscal year thereafter, fifty percent of the receipts shall be deposited in the general fund, forty-five percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund."

2. By renumbering as necessary.

**By** ROGER STEWART

**S-3274** FILED MAY 5, 2005

S-3275

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 26, the
4 following:
5 "DIVISION
6 PUBLIC RETIREMENT SYSTEMS
7 Sec. ___. Section 97B.11, Code 2005, is amended to
8 read as follows:
9 97B.11 CONTRIBUTIONS BY EMPLOYER AND EMPLOYEE.
10 1. Each employer shall deduct from the wages of
11 each member of the retirement system a contribution in
12 the amount of ~~three and seven-tenths percent~~ the
13 applicable employee percentage of the covered wages
14 paid by the employer, until the member's termination
15 from employment. The contributions of the employer
16 shall be in the amount of ~~five and seventy-five~~
17 ~~hundredths percent~~ the applicable employer percentage
18 of the covered wages of the member.
19 2. For purposes of this section, unless the
20 context otherwise requires:
21 a. "Applicable employee percentage" means the
22 percentage rate equal to three and seven-tenths
23 percent plus forty percent of the total additional
24 percentage.
25 b. "Applicable employer percentage" means the
26 percentage rate equal to five and seventy-five
27 hundredths percent plus sixty percent of the total
28 additional percentage.
29 c. "Total additional percentage" means as follows:
30 (1) For the fiscal period beginning July 1, 2006,
31 through June 30, 2014, the total additional percentage
32 for a fiscal year shall be the total additional
33 percentage for the prior fiscal year plus, only if the
34 total comparison percentage is greater than the total
35 of the applicable employee percentage and the
36 applicable employer percentage for the prior fiscal
37 year, one-half percentage point.
38 (2) For each fiscal year beginning on or after
39 July 1, 2014, the total additional percentage shall be
40 the total additional percentage for the prior fiscal
41 year.
42 d. "Total comparison percentage" means the
43 percentage rate that the system determines, based upon
44 the most recent actuarial valuation of the retirement
45 system, would be sufficient to amortize the unfunded
46 actuarial liability of the retirement system in ten
47 years.
48 Sec. ___. Section 97B.49C, subsection 3, paragraph
49 a, Code 2005, is amended to read as follows:
50 a. Annually, the system shall actuarially

1 determine the cost of the benefits provided for
2 members covered under this section as a percentage of
3 the covered wages of the employees covered by this
4 section. ~~Fifty~~ Notwithstanding any provision of
5 section 97B.11 to the contrary, fifty percent of the
6 cost shall be paid by the employers of employees
7 covered under this section and fifty percent of the
8 cost shall be paid by the employees. The employer and
9 employee contributions required under this paragraph
10 ~~are in lieu of the~~ shall be treated as contributions
11 paid under sections 97B.11 and 97B.11A.
12 Sec. ___. Section 97B.50A, subsection 12, Code
13 2005, is amended to read as follows:
14 12. ~~ADDITIONAL~~ CONTRIBUTIONS. The expenses
15 incurred in the administration of this section by the
16 system shall be paid through ~~additional~~ contributions
17 as determined pursuant to section 97B.49B, subsection
18 3, or section 97B.49C, subsection 3, as applicable.
19 Sec. ___. PUBLIC RETIREMENT SYSTEMS COMMITTEE --
20 PENSION FLEXIBILITY REVIEW -- REPORT.
21 1. The public retirement systems committee
22 (committee) established by section 97D.4 shall conduct
23 a review of various options to provide persons covered
24 under the Iowa public employees' retirement system
25 (IPERS) additional flexibility in plan design with
26 features incorporating aspects of defined contribution
27 type vehicles. In conducting its review, the
28 committee shall consider previous studies and reports
29 on pension flexibility issues in Iowa and across the
30 country, and shall solicit input on pension
31 flexibility issues from IPERS staff, the IPERS
32 benefits advisory committee, and other interested
33 parties.
34 2. The committee's review of pension flexibility
35 issues shall consider, among other ideas, the
36 following:
37 a. Ways in which IPERS can assist employers in
38 expanding existing supplemental plans offered by
39 public employers.
40 b. Ways in which IPERS could offer its own defined
41 contribution type supplementary plan vehicle to
42 complement its core defined benefit plan.
43 c. Ways in which IPERS could provide a cost of
44 living or favorable experience dividend benefit to
45 members through either defined contribution or
46 alternative defined benefit type plans.
47 d. Various hybrid plan designs incorporating
48 features of both defined benefit and defined
49 contribution plan vehicles, including, but not limited
50 to, an integrated defined benefit and defined

contribution plan, a floor-offset plan, or a pension equity plan.

3. The committee shall submit a report to the general assembly by January 1, 2006, which report shall contain, in addition to any other findings and recommendations concerning public retirement systems in Iowa, its findings and recommendations concerning its review of pension flexibility issues, including any proposal or proposals regarding adding additional flexibility in IPERS' plan design for the benefit of IPERS covered employees and employers.

Sec. ___. Section 602.9104, Code 2005, is amended to read as follows:

602.9104 DEDUCTIONS FROM JUDGES' SALARIES -- CONTRIBUTIONS BY STATE.

1. a. A judge to whom this article applies shall be paid an amount equal to ~~ninety-five percent of~~ the basic salary of the judge as set by the general assembly~~. An~~ reduced by an amount ~~equal to five percent of the basic salary of the judge as set by the general assembly is~~ designated as the judge's required contribution to the judicial retirement fund~~, and~~. The amount designated as the judge's required contribution shall be paid by the state in the manner provided in subsection 2.

b. The state shall contribute annually to the judicial retirement fund an amount equal to the state's required contribution for all judges covered under this article. The state's required contribution shall be appropriated directly to the judicial retirement fund by the general assembly.

2. The amount designated ~~in subsection 1~~ as the judge's required contribution to the judicial retirement fund shall be paid by the department of administrative services from the general fund of the state to the court administrator for deposit with the treasurer of state to the credit of the judicial retirement fund. Moneys in the fund are appropriated for the payment of annuities, refunds, and allowances provided by this article, except that the amount of the appropriations affecting payment of annuities, refunds, and allowances to judges of the municipal and superior court is limited to that part of the fund accumulated for their benefit as provided in this article. The corpus and income of the fund shall be used only for the exclusive benefit of the judges covered under this article, their survivors, or an alternate payee who is assigned benefits pursuant to a domestic relations order.

3. A judge covered under this article is deemed to

consent to the reduction in basic salary as provided in subsection 1.

4. ~~a.~~ As used in this ~~subsection~~ section, unless the context otherwise requires:

~~(1)~~ a. "Actuarial valuation" means an actuarial valuation of the judicial retirement system or an annual actuarial update of an actuarial valuation, as required pursuant to section 602.9116.

~~(2)~~ b. "Fully funded status" means that the most recent actuarial valuation reflects that, using the projected unit credit method in accordance with generally recognized and accepted actuarial principles and practices set forth by the American academy of actuaries, the funded status of the system is at least ~~one hundred~~ ninety percent, based upon the benefits provided for judges through the judicial retirement system as of July 1, 2005.

c. "Judge's required contribution" means an amount equal to the basic salary of the judge multiplied by the following applicable percentage:

(1) For the fiscal year beginning July 1, 2005, and for each subsequent fiscal year until the system attains fully funded status, six percent multiplied by a fraction equal to the actual percentage rate contributed by the state for that fiscal year divided by twenty-three and seven-tenths percent.

(2) Commencing with the first fiscal year in which the system attains fully funded status, and for each subsequent fiscal year, the percentage rate equal to fifty percent of the required contribution rate.

~~(3)~~ d. "Required contribution rate" means that percentage of the basic salary of all judges covered under this article which~~, in addition to the judge's contribution established in subsection 1,~~ the actuary of the system determines is necessary, using the projected unit credit method in accordance with generally recognized and accepted actuarial principles and practices set forth by the American academy of actuaries, to ~~maintain fully funded status~~ amortize the unfunded actuarial liability of the judicial retirement system within twenty years.

e. "State's required contribution" means an amount equal to the basic salary of all judges covered under this article multiplied by the following applicable percentage:

(1) For the fiscal year beginning July 1, 2005, and for each subsequent fiscal year until the system attains fully funded status, twenty-three and seven-tenths percent.

(2) Commencing with the first fiscal year in which

the system attains fully funded status, and for each subsequent fiscal year, the percentage rate equal to fifty percent of the required contribution rate.

~~b. Effective with the fiscal year commencing July 1, 1994, and for each subsequent fiscal year until the system attains fully funded status, based upon the benefits provided for judges through the judicial retirement system as of July 1, 2001, the state shall contribute annually to the judicial retirement fund an amount equal to at least twenty-three and seven-tenths percent of the basic salary of all judges covered under this article. Commencing with the first fiscal year in which the system attains fully funded status, based upon the benefits provided for judges through the judicial retirement system as of July 1, 2001, and for each subsequent fiscal year, the state shall contribute to the judicial retirement fund the required contribution rate. The state's contribution shall be appropriated directly to the judicial retirement fund.~~

Sec. ___. Section 602.9106, Code 2005, is amended to read as follows:

602.9106 RETIREMENT.

Any person who shall have become separated from service as a judge of any of the courts included in this article and who has had an aggregate of at least ~~six~~ four years of service as a judge of one or more of such courts and shall have attained the age of sixty-five years or who has had ~~twenty-five~~ twenty years of consecutive service as a judge of one or more of said courts and shall have attained the age of fifty years, and who shall have otherwise qualified as provided in this article, shall be entitled to an annuity as hereinafter provided.

Sec. ___. Section 602.9107, subsection 1, paragraph a, Code 2005, is amended to read as follows:

a. The annual annuity of a judge under this system is an amount equal to three and one-fourth percent of the judge's average annual basic salary for the judge's highest three years as a judge of one or more of the courts included in this article, multiplied by the judge's years of service as a judge of one or more of the courts for which contributions were made to the system. However, an annual annuity shall not exceed an amount equal to a specified percentage of the highest basic annual salary which the judge is receiving or had received as of the time the judge became separated from service. Forfeitures shall not be used to increase the annuities a judge or survivor would otherwise receive under the system.

1 Sec. ___. Section 602.9107, subsection 1,
2 paragraph b, subparagraph (4), Code 2005, is amended
3 to read as follows:
4 (4) For judges who retire and receive an annuity
5 on or after July 1, 2001, but before July 1, 2005, the
6 specified percentage shall be sixty percent.
7 Sec. ___. Section 602.9107, subsection 1,
8 paragraph b, Code 2005, is amended by adding the
9 following new subparagraph:
10 NEW SUBPARAGRAPH. (5) For judges who retire and
11 receive an annuity on or after July 1, 2005, the
12 specified percentage shall be sixty-five percent.
13 Sec. ___. Section 602.9107C, subsection 1, Code
14 2005, is amended to read as follows:
15 1. A judge under this system who has at least ~~six~~
16 four years of service as a judge of any of the courts
17 included in this article and who was a member of the
18 Iowa public employees' retirement system as provided
19 in chapter 97B, but who was not retired under that
20 system, upon submitting verification of membership and
21 service in the Iowa public employees' retirement
22 system to the court administrator, including proof
23 that the judge has no further claim upon a retirement
24 benefit from that public system, may make
25 contributions as provided by this section to the
26 system either for the entire period of service in the
27 other public system, or for partial service in the
28 other public system in increments of one or more
29 calendar quarters, and receive credit for that service
30 under the system.
31 Sec. ___. Section 602.9108, Code 2005, is amended
32 to read as follows:
33 602.9108 INDIVIDUAL ACCOUNTS -- REFUNDING.
34 The amount designated as the judge's contribution
35 to the judicial retirement fund in section 602.9104,
36 ~~subsection 1,~~ and all amounts paid into the fund by a
37 judge shall be credited to the individual account of
38 the judge. If a judge covered under this article
39 becomes separated from service as a judge before the
40 judge completes an aggregate of ~~six~~ four years of
41 service as a judge of one or more of the courts, the
42 total amount in the judge's individual account shall
43 be returned to the judge or the judge's legal
44 representatives within one year of the separation. If
45 a judge, who is covered under this article and who has
46 completed an aggregate of ~~six~~ four years or more of
47 service as a judge of one or more of the courts, dies
48 before retirement, without a survivor, the total
49 amount in the judge's individual account shall be paid
50 in one sum to the judge's legal representatives within

1 one year of the judge's death. If an annuitant under
2 this section dies without a survivor, and without
3 having received in annuities an amount equal to the
4 total amount in the judge's individual account at the
5 time of separation from service, the amount remaining
6 to the annuitant's credit shall be paid in one sum to
7 the annuitant's legal representatives within one year
8 of the annuitant's death.
9 Sec. ___. Section 602.9112, Code 2005, is amended
10 to read as follows:
11 602.9112 VOLUNTARY RETIREMENT FOR DISABILITY.
12 Any judge of the supreme, district or municipal
13 court, including a district associate judge, or a
14 judge of the court of appeals, who shall have served
15 as a judge of one or more of such courts for a period
16 of ~~six~~ four years in the aggregate and who believes
17 the judge has become permanently incapacitated,
18 physically or mentally, to perform the duties of the
19 judge's office may personally or by the judge's next
20 friend or guardian file with the court administrator a
21 written application for retirement. The application
22 shall be filed in duplicate and accompanied by an
23 affidavit as to the duration and particulars of the
24 judge's service and the nature of the judge's
25 incapacity. The court administrator shall forthwith
26 transmit one copy of the application and affidavit to
27 the chief justice who shall request the attorney
28 general in writing to cause an investigation to be
29 made relative to the claimed incapacity and report
30 back the results thereof in writing. If the chief
31 justice finds from the report of the attorney general
32 that the applicant is permanently incapacitated,
33 physically or mentally, to perform the duties of the
34 applicant's office the chief justice shall by
35 endorsement thereon declare the applicant retired, and
36 the office vacant, and shall file the report in the
37 office of the court administrator, and a copy in the
38 office of the secretary of state. From the date of
39 such filing the applicant shall be deemed retired from
40 the applicant's office and entitled to the benefits of
41 this article to the same extent as if the applicant
42 had retired under the provisions of section 602.9106.
43 Sec. ___. Section 602.9115A, unnumbered paragraphs
44 1 and 3, Code 2005, are amended to read as follows:
45 In lieu of the annuities and refunds provided for
46 judges and judges' survivors under sections 602.9107,
47 ~~602.9107A,~~ 602.9108, 602.9115, 602.9204, 602.9208, and
48 602.9209, judges may elect to receive an optional
49 retirement annuity during the judge's lifetime and
50 have the optional retirement annuity, or a designated

1 fraction of the optional retirement annuity, continued
2 and paid to the judge's survivor after the judge's
3 death and during the lifetime of the survivor.
4 The optional retirement annuity shall be the
5 actuarial equivalent of the amounts of the annuities
6 payable to judges and survivors under sections
7 602.9107, ~~602.9107A,~~ 602.9115, 602.9204, 602.9208, and
8 602.9209. The actuarial equivalent shall be based on
9 the mortality and interest assumptions set out in
10 section 602.9107, subsection 3.
11 Sec. ___. Section 602.9116, subsection 1, Code
12 2005, is amended to read as follows:
13 1. The court administrator shall cause an
14 actuarial valuation to be made of the assets and
15 liabilities of the judicial retirement fund at least
16 once every four years commencing with the fiscal year
17 beginning July 1, 1981. For each fiscal year in which
18 an actuarial valuation is not conducted, the court
19 administrator shall cause an annual actuarial update
20 to be prepared for the purpose of determining the
21 adequacy of the contribution rates specified in
22 section 602.9104~~, subsection 4~~. The court
23 administrator shall adopt mortality tables and other
24 necessary factors for use in the actuarial
25 calculations required for the valuation upon the
26 recommendation of the actuary. Following the
27 actuarial valuation or annual actuarial update, the
28 court administrator shall determine the condition of
29 the system and shall report its findings and
30 recommendations to the general assembly.
31 Sec. ___. Section 602.9203, subsection 2,
32 paragraph b, Code 2005, is amended to read as follows:
33 b. Meets the minimum requirements for entitlement
34 to an annuity as specified in section 602.9106.
35 However, a judge who elects to retire prior to
36 attaining the age of sixty-five and who has not had
37 ~~twenty-five~~ twenty years of consecutive service, may
38 serve as a senior judge, but shall not be paid an
39 annuity pursuant to section 602.9204 until attaining
40 age sixty-five.
41 Sec. ___. Section 602.9204, subsection 1, Code
42 2005, is amended to read as follows:
43 1. A judge who retires on or after July 1, 1994,
44 and who is appointed a senior judge under section
45 602.9203 shall be paid a salary as determined by the
46 general assembly. A senior judge or retired senior
47 judge shall be paid an annuity under the judicial
48 retirement system in the manner provided in section
49 602.9109, but computed under this section in lieu of
50 section 602.9107, as follows: The annuity paid to a

Amend House File 882, as amended, passed, and reprinted by the House, as follows:

1. Page 48, by inserting after line 26 the following:

"DIVISION

RENEWABLE ENERGY GENERATION AND TAX CREDITS

Sec. ___. Section 422.11J, Code 2005, is amended to read as follows:

422.11J ~~WIND ENERGY PRODUCTION~~ TAX ~~CREDIT~~ CREDITS FOR WIND ENERGY PRODUCTION AND RENEWABLE ENERGY.

The taxes imposed under this division, less the credits allowed under sections 422.12 and 422.12B, shall be reduced by ~~a wind energy production~~ tax ~~credit~~ credits for wind energy production allowed under chapter 476B and for renewable energy allowed under chapter 476C.

Sec. ___. Section 422.33, subsection 16, Code 2005, is amended to read as follows:

16. The taxes imposed under this division shall be reduced by ~~a wind energy production~~ tax ~~credit~~ credits for wind energy production allowed under chapter 476B and for renewable energy allowed under chapter 476C.

Sec. ___. Section 422.60, subsection 8, Code 2005, is amended to read as follows:

8. The taxes imposed under this division shall be reduced by ~~a wind energy production~~ tax ~~credit~~ credits for wind energy production allowed under chapter 476B and for renewable energy allowed under chapter 476C.

Sec. ___. Section 423.4, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 4. A person in possession of a renewable energy tax credit certificate issued pursuant to chapter 476C may apply to the director for refund of the amount of sales or use tax imposed and paid upon purchases made by the applicant.

a. The refunds may be obtained only in the following manner and under the following conditions:

(1) On forms furnished by the department and filed by January 31 after the end of the calendar year in which the tax credit certificate is to be applied, the applicant shall report to the department the total amount of sales and use tax paid during the reporting period on purchases made by the applicant.

(2) The applicant shall separately list the amounts of sales and use tax paid during the reporting period.

(3) If required by the department, the applicant shall prove that the person making the sales has included the amount thereof in the computation of the sales price of such person and that such person has

1 senior judge or retired senior judge shall be an
2 amount equal to ~~three percent~~ the applicable
3 percentage multiplier of the basic senior judge
4 salary, multiplied by the judge's years of service
5 prior to retirement as a judge of one or more of the
6 courts included under this article, for which
7 contributions were made to the system, except the
8 annuity of the senior judge or retired senior judge
9 shall not exceed an amount equal to the applicable
10 specified percentage of the basic senior judge salary
11 used in calculating the annuity. However, following
12 the twelve-month period during which the senior judge
13 or retired senior judge attains seventy-eight years of
14 age, the annuity paid to the person shall be an amount
15 equal to ~~three percent~~ the applicable percentage
16 multiplier of the basic senior judge salary cap,
17 multiplied by the judge's years of service prior to
18 retirement as a judge of one or more of the courts
19 included under this article, for which contributions
20 were made to the system, except that the annuity shall
21 not exceed an amount equal to the applicable specified
22 percentage of the basic senior judge salary cap. A
23 senior judge or retired senior judge shall not receive
24 benefits calculated using a basic senior judge salary
25 established after the twelve-month period in which the
26 senior judge or retired senior judge attains seventy-
27 eight years of age. The state shall provide,
28 regardless of age, to an active senior judge or a
29 senior judge with six years of service as a senior
30 judge and to the judge's spouse, and pay for medical
31 insurance until the judge attains the age of seventy-
32 eight years.
33 Sec. ___. Section 602.9204, subsection 2, Code
34 2005, is amended by adding the following new
35 paragraph:
36 NEW PARAGRAPH. 0a. "Applicable percentage
37 multiplier" means as follows:
38 (1) For a senior judge or retired senior judge who
39 retired as a judge and received an annuity prior to
40 July 1, 2005, three percent.
41 (2) For a senior judge or a retired senior judge
42 who retired as a judge and received an annuity on or
43 after July 1, 2005, three and one-fourth percent.
44 Sec. ___. Section 602.9107A, Code 2005, is
45 repealed."
46 2. By renumbering as necessary.

**By** MIKE CONNOLLY
JOHN P. KIBBIE

**S-3275** FILED MAY 5, 2005

1 paid the tax levied by this subchapter or subchapter
2 III, based upon such computation of the sales price.
3 (4) The applicant shall provide the tax credit
4 certificates issued pursuant to chapter 476C to the
5 department with the forms required by this paragraph
6 "a".
7 b. If satisfied that the foregoing conditions and
8 requirements have been complied with, the director
9 shall refund the amount claimed by the applicant for
10 an amount not greater than the amount of tax credits
11 issued in tax credit certificates pursuant to chapter
12 476C.
13 Sec. ___. Section 432.12E, Code 2005, is amended
14 to read as follows:
15 432.12E ~~WIND ENERGY PRODUCTION~~ TAX ~~CREDIT~~ CREDITS
16 FOR WIND ENERGY PRODUCTION AND RENEWABLE ENERGY.
17 The taxes imposed under this chapter shall be
18 reduced by ~~a wind energy production~~ tax ~~credit~~ credits
19 for wind energy production allowed under chapter 476B
20 and for renewable energy allowed under chapter 476C.
21 Sec. ___. NEW SECTION. 437A.17B REIMBURSEMENT
22 FOR RENEWABLE ENERGY.
23 A person in possession of a renewable energy tax
24 credit certificate issued pursuant to chapter 476C may
25 apply to the director for a reimbursement of the
26 amount of taxes imposed and paid by the person
27 pursuant to this chapter in an amount not more than
28 the person received in renewable energy tax credit
29 certificates pursuant to chapter 476C. To obtain the
30 reimbursement, the person shall attach to the return
31 required under section 437A.8 the renewable energy tax
32 credit certificates issued to the person pursuant to
33 chapter 476C, and provide any other information the
34 director may require. The director shall direct a
35 warrant to be issued to the person for an amount equal
36 to the tax imposed and paid by the person pursuant to
37 this chapter but for not more than the amount of the
38 renewable energy tax credit certificates attached to
39 the return.
40 Sec. ___. NEW SECTION. 476C.1 DEFINITIONS.
41 For purposes of this chapter, unless the context
42 otherwise requires:
43 1. "Anaerobic digester system" means a system of
44 components that processes plant or animal materials
45 based on the absence of oxygen and produces methane or
46 other biogas used to generate electricity, hydrogen
47 fuel, or heat for a commercial purpose.
48 2. "Biogas recovery facility" means an anaerobic
49 digester system that is located in this state.
50 3. "Biomass conversion facility" means a facility

1 in this state that converts plant-derived organic
2 matter including, but not limited to, agricultural
3 food and feed crops, crop wastes and residues, wood
4 wastes and residues, or aquatic plants to generate
5 electricity, hydrogen fuel, or heat for a commercial
6 purpose.
7 4. "Board" means the utilities board within the
8 utilities division of the department of commerce.
9 5. "Department" means the department of revenue.
10 6. "Eligible renewable energy facility" means a
11 wind energy conversion facility, a biogas recovery
12 facility, a biomass conversion facility, a methane gas
13 recovery facility, or a solar energy conversion
14 facility that meets all of the following requirements:
15 a. Is located in this state.
16 b. Is at least fifty-one percent owned by one or
17 more of any combination of the following:
18 (1) A resident of this state.
19 (2) Any of the following as defined in section
20 9H.1:
21 (a) An authorized farm corporation.
22 (b) An authorized limited liability company.
23 (c) An authorized trust.
24 (d) A family farm corporation.
25 (e) A family farm limited liability company.
26 (f) A family trust.
27 (g) A revocable trust.
28 (h) A testamentary trust.
29 (3) A small business as defined in section 15.102.
30 (4) An electric cooperative association organized
31 pursuant to chapter 499 that sells electricity to end
32 users located in this state.
33 (5) An electric cooperative association that has
34 one or more members organized pursuant to chapter 499.
35 (6) A cooperative corporation organized pursuant
36 to chapter 497 or a limited liability corporation
37 organized pursuant to chapter 490A whose shares and
38 membership are held by an entity that is not
39 prohibited from owning agricultural land under chapter
40 9H.
41 (7) A school district located in this state.
42 c. Has at least one owner that meets the
43 requirements of paragraph "b" for each two and one-
44 half megawatts of nameplate generating capacity or the
45 energy production capacity equivalent for hydrogen
46 fuel or heat for a commercial purpose of the otherwise
47 eligible renewable energy facility.
48 d. Was initially placed into service on or after
49 July 1, 2005, and before January 1, 2011, or on or
50 after February 1, 2005, and before January 1, 2011, if

1 the facility meets the requirements of subsection 6,
2 paragraph "b", subparagraph (7).
3 7. "Energy production capacity equivalent" means
4 the amount of energy in a standard cubic foot of
5 hydrogen gas or the number of British thermal units
6 that are equal to the energy in a kilowatt-hour of
7 electricity. For the purposes of this chapter, one
8 kilowatt-hour shall be deemed equivalent to three
9 thousand three hundred thirty-three British thermal
10 units of heat or ten and forty-five one hundredths of
11 standard cubic feet of hydrogen gas.
12 8. "Heat for a commercial purpose" means the heat
13 in British thermal unit equivalents from methane or
14 other biogas produced in this state sold to a
15 purchaser of renewable energy for use for a commercial
16 purpose.
17 9. "Hydrogen fuel" means hydrogen produced in this
18 state from a renewable source that is used in a fuel
19 cell or hydrogen-powered internal combustion engine.
20 10. "Methane gas recovery facility" means a
21 facility in this state which is used in connection
22 with a sanitary landfill or which uses wastes that
23 would otherwise be deposited in a sanitary landfill,
24 that collects methane gas or other gases and converts
25 the gas into energy to generate electricity, hydrogen
26 fuel, or heat for a commercial purpose.
27 11. "Producer of renewable energy" means a person
28 who owns an eligible renewable energy facility.
29 12. "Purchaser of renewable energy" means a person
30 who buys electric energy, hydrogen fuel, methane gas
31 or other biogas used to generate electricity, or heat
32 for a commercial purpose from an eligible renewable
33 energy facility.
34 13. "Solar energy conversion facility" means a
35 solar energy facility in this state that collects and
36 converts incident solar radiation into energy to
37 generate electricity.
38 14. "Wind energy conversion facility" means a wind
39 energy conversion system in this state that collects
40 and converts wind into energy to generate electricity.
41 Sec. ___. NEW SECTION. 476C.2 TAX CREDIT AMOUNT
42 -- LIMITATIONS.
43 1. A producer or purchaser of renewable energy may
44 receive renewable energy tax credits under this
45 chapter in an amount equal to one and one-half cents
46 per kilowatt-hour of electricity, or four dollars and
47 fifty cents per million British thermal units of heat
48 for a commercial purpose, or four dollars and fifty
49 cents per million British thermal units of methane gas
50 or other biogas used to generate electricity, or one

1 dollar and forty-four cents per one thousand standard
2 cubic feet of hydrogen fuel generated by and purchased
3 from an eligible renewable energy facility.
4 2. The renewable energy tax credit shall not be
5 allowed for any kilowatt-hour of electricity, British
6 thermal unit of heat for a commercial purpose, British
7 thermal unit of methane gas or other biogas used to
8 generate electricity, or standard cubic foot of
9 hydrogen fuel that is purchased from an eligible
10 renewable energy facility by a related person. For
11 purposes of this subsection, persons shall be treated
12 as related to each other if either person owns an
13 eighty percent or more equity interest in the other
14 person.
15 Sec. ___. NEW SECTION. 476C.3 DETERMINATION OF
16 ELIGIBILITY.
17 1. A producer or purchaser of renewable energy may
18 apply to the board for a written determination
19 regarding whether a facility is an eligible renewable
20 energy facility by submitting to the board a written
21 application containing all of the following:
22 a. Information regarding the ownership of the
23 facility including the percentage of equity interest
24 held by each owner.
25 b. The nameplate generating capacity of the
26 facility or energy production capacity equivalent.
27 c. Information regarding the facility's initial
28 placement in service.
29 d. Information regarding the type of facility and
30 what type of renewable energy the facility will
31 produce.
32 e. A copy of the power purchase agreement or other
33 agreement to purchase electricity, hydrogen fuel,
34 methane or other biogas, or heat for a commercial
35 purpose which shall designate either the producer or
36 purchaser of renewable energy as eligible to apply for
37 the renewable energy tax credit.
38 f. Any other information the board may require.
39 2. The board shall review the application and
40 supporting information and shall make a preliminary
41 determination regarding whether the facility is an
42 eligible renewable energy facility. The board shall
43 notify the applicant of the approval or denial of the
44 application within thirty days of receipt of the
45 application and information required. If the board
46 fails to notify the applicant of the approval or
47 denial within thirty days, the application shall be
48 deemed denied. An applicant who receives a
49 determination denying an application may file an
50 appeal with the board within thirty days from the date

1 of the denial pursuant to the provisions of chapter
2 17A. In the absence of a timely appeal, the
3 preliminary determination shall be final. If the
4 application is incomplete, the board may grant an
5 extension of time for the provision of additional
6 information.
7 3. A facility that is not operational within
8 eighteen months after issuance of an approval for the
9 facility by the board shall cease to be an eligible
10 renewable energy facility. A facility that is granted
11 and thereafter loses approval may reapply to the board
12 for a new determination.
13 4. The maximum amount of nameplate generating
14 capacity of all wind energy conversion facilities the
15 board may find eligible under this chapter shall not
16 exceed ninety megawatts of nameplate generating
17 capacity. The maximum amount of energy production
18 capacity equivalent of all other facilities the board
19 may find eligible under this chapter shall not exceed
20 a combined output of ten megawatts of nameplate
21 generating capacity.
22 5. An owner meeting the requirements of section
23 476C.1, subsection 6, paragraph "b" shall not be an
24 owner of more than two eligible renewable energy
25 facilities.
26 Sec. ___. NEW SECTION. 476C.4 TAX CREDIT
27 CERTIFICATE PROCEDURE.
28 1. A producer or purchaser of renewable energy may
29 apply to the board for the renewable energy tax credit
30 by submitting to the board all of the following:
31 a. A completed application in a form prescribed by
32 the board.
33 b. A copy of the determination granting approval
34 of the facility as an eligible renewable energy
35 facility by the board.
36 c. A copy of a signed power purchase agreement or
37 other agreement to purchase electricity, hydrogen
38 fuel, methane or other biogas, or heat for a
39 commercial purpose from an eligible renewable energy
40 facility which shall designate either the producer or
41 purchaser of renewable energy as eligible to apply for
42 the renewable energy tax credit.
43 d. Sufficient documentation that the electricity,
44 heat for a commercial purpose, methane gas or other
45 biogas, or hydrogen fuel has been generated by the
46 eligible renewable energy facility and sold to the
47 purchaser of renewable energy.
48 e. Any other information the board deems
49 necessary.
50 2. The board shall notify the department of the

1 amount of kilowatt-hours, British thermal units of
2 heat for a commercial purpose, British thermal units
3 of methane gas or other biogas used to generate
4 electricity, or standard cubic feet of hydrogen fuel
5 generated and purchased from an eligible renewable
6 energy facility. The department shall calculate the
7 amount of the tax credit for which the applicant is
8 eligible and shall issue the tax credit certificate
9 for that amount or notify the applicant in writing of
10 its refusal to do so. An applicant whose application
11 is denied may file an appeal with the department
12 within sixty days from the date of the denial pursuant
13 to the provisions of chapter 17A.
14 3. Each tax credit certificate shall contain the
15 person's name, address, and tax identification number,
16 the amount of tax credits, the first taxable year the
17 certificate may be used, the type of tax to which the
18 tax credits shall be applied, and any other
19 information required by the department. The tax
20 credit certificate shall only list one type of tax to
21 which the amount of the tax credit may be applied.
22 Once issued by the department, the tax credit
23 certificate shall not be terminated or rescinded.
24 4. If the tax credit application is filed by a
25 partnership, limited liability company, S corporation,
26 estate, trust, or other reporting entity all of the
27 income of which is taxed directly to its equity
28 holders or beneficiaries, for the taxes imposed under
29 chapter 422, division II or III, the tax credit
30 certificate shall be issued directly to equity holders
31 or beneficiaries of the applicant in proportion to
32 their pro rata share of the income of such entity.
33 The applicant shall, in the application made under
34 this section, identify its equity holders or
35 beneficiaries, and the percentage of such entity's
36 income that is allocable to each equity holder or
37 beneficiary. If the tax credit application is filed
38 by a partnership, limited liability company, S
39 corporation, estate, trust, or other reporting entity,
40 all of whose income is taxed directly to its equity
41 holders or beneficiaries for the taxes imposed under
42 chapter 422, division V, or under chapter 423, 432, or
43 437A, the tax credit certificate shall be issued
44 directly to the partnership, limited liability
45 company, S corporation, estate, trust, or other
46 reporting entity.
47 5. The department shall not issue a tax credit
48 certificate if the facility approved by the board as
49 an eligible renewable energy facility is not
50 operational within eighteen months after the approval

1 is issued.
2 6. The department shall not issue a tax credit
3 certificate to any person who has received a tax
4 credit pursuant to chapter 476B.
5 7. Once a tax credit certificate is issued
6 pursuant to this section, the tax credit may only be
7 claimed against the type of tax reflected on the
8 certificate.
9 Sec. ___. NEW SECTION. 476C.5 CERTIFICATE
10 ISSUANCE PERIOD.
11 A producer or purchaser of renewable energy may
12 receive renewable energy tax credit certificates for a
13 ten-year period for each eligible renewable energy
14 facility under this chapter. The ten-year period for
15 issuance of the tax credit certificates begins with
16 the date the purchaser of renewable energy first
17 purchases electricity, hydrogen fuel, methane gas or
18 other biogas used to generate electricity, or heat for
19 commercial purposes from the eligible renewable energy
20 facility for which a tax credit is issued under this
21 chapter. Renewable energy tax credit certificates
22 shall not be issued for renewable energy purchased
23 after December 31, 2020.
24 Sec. ___. NEW SECTION. 476C.6 TRANSFERABILITY
25 AND USE OF TAX CREDIT CERTIFICATES -- REGISTRATION.
26 1. Renewable energy tax credit certificates issued
27 under this chapter may be transferred to any person.
28 A tax credit certificate shall only be transferred
29 once. However, for purposes of this transfer
30 provision, a decision between a producer and purchaser
31 of renewable energy regarding who claims the tax
32 credit issued pursuant to this chapter shall not be
33 considered a transfer and must be set forth in the
34 application for the tax credit pursuant to section
35 476C.4. Within thirty days of transfer, the
36 transferee must submit the transferred tax credit
37 certificate to the department along with a statement
38 containing the transferee's name, tax identification
39 number, and address, and the denomination that each
40 new certificate is to carry and any other information
41 required by the department. Within thirty days of
42 receiving the transferred tax credit certificate and
43 the transferee's statement, the department shall issue
44 one or more replacement tax credit certificates to the
45 transferee. Each replacement tax credit certificate
46 must contain the information required under section
47 476C.4, subsection 3, and must have the same effective
48 taxable year and the same expiration date that
49 appeared in the transferred tax credit certificate.
50 Tax credit certificate amounts of less than the

1 minimum amount established by rule shall not be
2 transferable. A tax credit shall not be claimed by a
3 transferee under this chapter until a replacement tax
4 credit certificate identifying the transferee as the
5 proper holder has been issued. The replacement tax
6 credit certificate may reflect a different type of tax
7 than the type of tax noted on the original tax credit
8 certificate.
9 The transferee may use the amount of the tax credit
10 transferred against taxes imposed under chapter 422,
11 divisions II, III, and V, and chapter 432 for any tax
12 year the original transferor could have claimed the
13 tax credit. The transferee may claim a refund under
14 chapter 423 or 437A for any tax year within the time
15 period set forth in section 423.47 or 437A.14 for
16 which the original transferor could have claimed the
17 refund. Any consideration received for the transfer
18 of the tax credit shall not be included as income
19 under chapter 422, divisions II, III, and V. Any
20 consideration paid for the transfer of the tax credit
21 shall not be deducted from income under chapter 422,
22 divisions II, III, and V.
23 2. To claim a renewable energy tax credit under
24 this chapter, a taxpayer must attach one or more tax
25 credit certificates to the taxpayer's tax return, or
26 if used against taxes imposed under chapter 423, the
27 taxpayer shall comply with section 423.4, or if used
28 against taxes imposed under chapter 437A, the taxpayer
29 shall comply with section 437A.17B, subsection 4. A
30 tax credit certificate shall not be used or attached
31 to a return filed for a taxable year beginning prior
32 to July 1, 2006. The tax credit certificate or
33 certificates attached to the taxpayer's tax return
34 shall be issued in the taxpayer's name, expire on or
35 after the last day of the taxable year for which the
36 taxpayer is claiming the tax credit, and show a tax
37 credit amount equal to or greater than the tax credit
38 claimed on the taxpayer's tax return. Any tax credit
39 in excess of the taxpayer's tax liability for the
40 taxable year may be credited to the taxpayer's tax
41 liability for the following seven tax years or until
42 the credit is depleted, whichever is earlier. If the
43 tax credit is applied against the taxes imposed under
44 chapter 423 or 437A, any credit in excess of the
45 taxpayer's tax liability is carried over and can be
46 filed with the refund claim for the following seven
47 tax years or until depleted, whichever is earlier.
48 However, the certificate shall not be used to reduce
49 tax liability for a tax period ending after the
50 expiration date of the certificate.

1 3. The department shall develop a system for the
2 registration of the renewable energy tax credit
3 certificates issued or transferred under this chapter
4 and a system that permits verification that any tax
5 credit claimed on a tax return is valid and that
6 transfers of the tax credit certificates are made in
7 accordance with the requirements of this chapter. The
8 tax credit certificates issued under this chapter
9 shall not be classified as a security pursuant to
10 chapter 502.
11 Sec. ___. NEW SECTION. 476C.7 RULES.
12 The department and the board may adopt rules
13 pursuant to chapter 17A for the administration and
14 enforcement of this chapter.
15 Sec. ___. EFFECTIVE DATE. This division of this
16 Act, being deemed of immediate importance, takes
17 effect upon enactment."
18 2. Title page, line 2, by inserting after the
19 word "fees," the following: "providing for the
20 generation and purchase of and tax credits for
21 renewable energy,".

**By** JOHN P. KIBBIE
HUBERT M. HOUSER

**S-3282** FILED MAY 5, 2005

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 33, by inserting after line 33, the
4 following:
5 "Sec. ___. NEW SECTION. 297A.1 STATE POLICY.
6 The general assembly finds that investment in
7 energy conservation measures by public facilities can
8 reduce the amount of energy consumed by the facilities
9 and produce both immediate and long-term cost savings.
10 It is the policy of this state to encourage school
11 districts, area education agencies, community
12 colleges, public universities, municipalities,
13 counties, and state institutions to invest in facility
14 technology infrastructure upgrades and energy
15 conservation measures that reduce energy consumption,
16 produce a cost savings, or improve the quality of
17 indoor air, or when economically feasible, to build,
18 operate, maintain, or renovate public facilities in a
19 manner which will minimize energy consumption or
20 maximize energy savings. It is additionally the
21 policy of this state to encourage reinvestment of
22 energy savings resulting from energy conservation
23 measures and facility technology infrastructure
24 upgrades into additional and continued energy
25 conservation efforts, including but not limited to
26 school instructional computer hardware, software, and
27 other technology equipment or training needs to
28 maintain or operate technology systems. The
29 department of natural resources, in consultation with
30 the department of education, shall adopt rules
31 pursuant to chapter 17A for the administration of this
32 chapter.
33 Sec. ___. NEW SECTION. 297A.2 DEFINITIONS.
34 As used in this chapter, unless the context
35 otherwise requires:
36 1. "Energy conservation measure or facility
37 technology infrastructure upgrade" means an employee
38 training program, facility alteration, or equipment to
39 be used in new construction, including an addition to
40 an existing facility, that reduces energy costs and
41 includes, but is not limited to, any of the following:
42 a. Insulation of the facility structure or systems
43 within the facility.
44 b. Storm windows or doors, caulking or weather
45 stripping, multiple-glazed windows or doors, heat-
46 absorbing or heat-reflective glazed and coated window
47 or door systems, additional glazing, reductions in
48 glass area, or other window and door system
49 modifications that reduce energy consumption.
50 c. Automated or computerized energy control

systems including related software-required network communication wiring, computer devices, wiring and support services for building maintenance or delivery of energy conservation services. Any cost for support services that will continue beyond the length of the contract shall be identified specifically in the energy performance-based evaluation, including but not limited to continuation of personnel costs. Energy control system technology infrastructure may be used, as applicable, for other public corporation technology needs. Other technology infrastructure improvements may be implemented if the cost is supported by the energy savings generated by other energy conservation measures or facility technology infrastructure upgrades.

d. Heating, ventilating, or air conditioning system modifications or replacements.

e. Replacement or modification of lighting fixtures to increase the energy efficiency of the lighting system which, at a minimum, shall conform to the applicable state or local building code.

f. Energy recovery systems.

g. Renewable energy systems, such as solar, biomass, and wind.

h. Devices that reduce water consumption or sewer charges.

i. Any measure not otherwise defined that produces energy cost savings or British thermal unit reductions.

An energy conservation measure or facility technology infrastructure upgrade as defined in this subsection shall be outside the scope of routine maintenance and installation of existing equipment.

2. "Energy cost savings" means a measured reduction in fuel, energy, or operation and maintenance cost savings created from the implementation of one or more energy conservation measures or facility technology infrastructure upgrades when compared with an established baseline for previous fuel, energy, or operation and maintenance costs.

3. "Energy performance-based contract" means a contract for the recommendation and implementation of energy conservation measures or facility technology infrastructure upgrades which includes, at a minimum, all of the following:

a. The design and installation of equipment to implement one or more energy conservation measures or facility technology infrastructure upgrades, and, if applicable, operation and maintenance of such measures

1 or upgrades.
2 b. The amount of any actual annual energy and
3 operational cost savings. The amount shall be
4 guaranteed in the contract by the qualified provider
5 and verified by a professional engineer or registered
6 architect who is not employed or has contracted with
7 the qualified provider. The verification shall occur
8 using a process established by the department of
9 natural resources.
10 4. "Energy performance-based evaluation" means
11 performance of an energy audit, data collection, or
12 other related analyses preliminary to the undertaking
13 of energy conservation measures or facility technology
14 infrastructure upgrades, and maintenance of project
15 monitoring and data collection to verify
16 postinstallation energy consumption and energy-related
17 operating costs. The department of natural resources
18 shall establish performance guidelines that consider
19 federal energy management program guidelines. Any
20 cost for support services for building maintenance or
21 delivery of energy conservation services that will
22 continue beyond the length of an energy
23 performance-based contract shall be identified
24 specifically in the energy performance-based
25 evaluation.
26 5. "Maintenance cost savings" means auditable
27 operating expenses eliminated and future capital
28 replacement expenditures avoided as a result of new
29 equipment installed or services performed by the
30 qualified provider including, but not limited to,
31 savings which can be measured by an itemization of the
32 maintenance savings cost between operational savings
33 and personnel savings.
34 6. "Public corporation" means a school district as
35 described in chapter 274, a community college as
36 defined in chapter 260C, a public university, city,
37 county, or state agency.
38 7. "Qualified provider" means a business or person
39 that has been qualified by the department of natural
40 resources. The department of natural resources shall
41 adopt rules pursuant to chapter 17A to establish a
42 qualifications process. The process shall consider
43 accreditation by the national association of energy
44 service companies, certification by the association of
45 energy engineers, or professional licensure as an
46 engineer or registered architect in Iowa. A business
47 or person accredited by the national association of
48 energy service companies shall be qualified in Iowa.
49 Sec. ___. NEW SECTION. 297A.3 REQUESTS FOR
50 PROPOSALS EVALUATION.

1 1. Prior to entering into an energy
2 performance-based contract as provided in section
3 297A.4, a public corporation shall announce a request
4 for proposals. A request for proposals shall be
5 advertised for public bidding and let publicly. The
6 model request for proposals format developed by the
7 department of natural resources shall be made
8 available for use by public corporations. A public
9 corporation shall administer the public bidding and
10 letting, requesting innovative solutions and proposals
11 for energy conservation measures and facility
12 technology infrastructure upgrades. Proposals
13 submitted shall be sealed. If the model request for
14 proposals format is not used, the request for
15 proposals shall include, at a minimum, all of the
16 following:
17 a. Name and address of the public corporation.
18 b. Name, address, title, and telephone number of a
19 contact person for the public corporation.
20 c. Notice indicating that the public corporation
21 is requesting qualified providers to propose energy
22 conservation measures and facility technology
23 infrastructure upgrades to be provided pursuant to an
24 energy performance-based contract.
25 d. Date, time, and place where proposals must be
26 received.
27 e. Evaluation criteria for assessing the
28 proposals.
29 f. Any other stipulations and clarifications the
30 public corporation may require.
31 2. The public corporation shall evaluate any
32 sealed proposal from a qualified provider. Sealed
33 proposals shall be opened by a designated member or
34 employee of the governing body of the public
35 corporation at a public meeting during which the
36 contents of the proposals shall be announced. Each
37 person submitting a sealed proposal must receive at
38 least ten days' notice of the time and place of the
39 public meeting at which the public corporation
40 proposes to award an energy performance-based
41 contract. The public corporation shall analyze each
42 qualified provider's estimate of the cost of design,
43 engineering, installation, maintenance, repairs, debt
44 service, conversions to a different energy or fuel
45 source, and postinstallation project monitoring, data
46 collection, and reporting. The evaluation shall
47 include a detailed analysis of whether the energy
48 consumed or the operating costs, or both, will be
49 reduced. Selection of the qualified provider shall,
50 through either a request for proposals process or

1 other purchasing method, constitute selection of the
2 best value based on life cycle cost analysis of the
3 component parts and systems to the public corporation.
4 Preference shall be given to proposals that utilize
5 local or Iowa-based financial institutions.
6 Preference may also be given to proposals that
7 minimize a negative impact on school staffing. The
8 public corporation may enter into an energy
9 performance-based contract.
10 Sec. ___. NEW SECTION. 297A.4 AWARD OF
11 GUARANTEED ENERGY COST SAVINGS CONTRACT.
12 1. A public corporation shall select a qualified
13 provider that best meets the needs of the public
14 corporation based on life cycle cost analysis. After
15 completing its evaluation of the proposals received
16 pursuant to section 297A.3, the public corporation
17 shall provide public notice of the public meeting at
18 which it proposes to award an energy performance-based
19 contract. The public notice shall contain the names
20 of the parties to the proposed contract and the
21 purpose of the contract. The public notice shall be
22 published at least ten days prior to the public
23 meeting. A public corporation may enter into an
24 energy performance-based contract with a qualified
25 provider if it finds, after evaluating the proposal
26 pursuant to section 297A.3, that the total amount the
27 public corporation would spend on the design,
28 implementation, financing, and performance management
29 of the energy conservation measures or facility
30 technology infrastructure upgrades and modernization
31 measures recommended in the proposal would not exceed
32 the amount to be saved in either energy or operational
33 costs, or both, within a twenty-year period from the
34 date of installation of such measures or upgrades,
35 based on life-cycle costing calculations, if the
36 recommendations in the proposal are followed. Each
37 individual improvement must pay for itself within the
38 useful life of the equipment, as determined by the
39 American society of heating, refrigeration, and air
40 conditioning engineers.
41 2. A public corporation may enter into a financing
42 agreement as provided in sections 473.19, 473.20, and
43 473.20A, for the purchase and installation of energy
44 conservation measures, or facility technology
45 infrastructure upgrades and modernization measures, or
46 may secure financing through a third party for the
47 purchase and installation of energy conservation
48 measures, facility technology infrastructure upgrades,
49 or modernization measures. Energy performance-based
50 contracts may extend beyond the fiscal year in which

1 they become effective, and may be automatically
2 renewed annually for up to twenty years.
3 3. A qualified provider shall be responsible for
4 the measurement and verification of the savings
5 generated by the energy conservation measures or
6 facility technology infrastructure upgrades and
7 modernization measures. The process to be used for
8 the measurement and verification shall follow the
9 guidelines of the federal energy management program.
10 A public corporation shall have these savings verified
11 by a qualified independent third party on an annual
12 basis. The verification shall also include an annual
13 reconciliation of the guaranteed energy cost savings
14 for the life of any financing agreement obligations or
15 until the project is repaid from energy savings. The
16 cost of this verification shall be a part of the
17 contract with the qualified provider. The department
18 of natural resources shall establish the
19 qualifications necessary for a business or person to
20 become a qualified independent third party. A
21 business or person accredited by the national
22 association of energy service companies shall be
23 qualified in Iowa.
24 4. A selected qualified provider shall provide a
25 one hundred percent performance guarantee bond to the
26 public corporation for the installation and faithful
27 performance of the installed energy conservation
28 measures or facility technology infrastructure
29 upgrades as outlined in the energy performance-based
30 contract.
31 5. A public corporation has the right to terminate
32 an energy performance-based contract at any time
33 provided that written notice to the qualified provider
34 is provided at least thirty days prior to termination.
35 All qualified providers shall include clear statements
36 and requirements regarding contract termination as
37 part of the contract documentation. The documentation
38 shall clearly state the options of the public
39 corporation to satisfy the contract early and include
40 all associated costs. The documentation shall also
41 state the rights of a public corporation under a
42 contract for terminating the contract due to
43 nonperformance, for exercising rights pursuant to the
44 performance guarantee bond, and for listing all costs
45 and responsibilities for payment of any remaining debt
46 associated with energy and operational savings
47 projects already implemented. The information and
48 associated costs described in this subsection shall be
49 provided to a public corporation before an energy
50 performance-based contract is approved.

1 6. An energy performance-based contract shall
2 include a written guarantee by a qualified provider
3 that the amount of any actual energy and operational
4 savings shall be guaranteed. The amount must also
5 meet or exceed the total annual contract payments,
6 including financing charges, made by the public
7 corporation over the life of the contract. A
8 qualified provider shall reimburse a public
9 corporation for any shortfall of guaranteed energy
10 cost savings projected in the contract. Actual
11 savings documentation shall be reconciled on an annual
12 basis as provided in the contract. Any savings
13 shortfall shall be made whole by the qualified
14 provider within sixty days. Excess documented and
15 mutually agreed upon savings may be carried over to
16 future years. A qualified provider shall provide the
17 public corporation with a one hundred percent
18 performance guarantee bond for installation and
19 retrofit projects. A qualified provider shall
20 guarantee the savings for the length of the contract
21 and shall also provide the guaranteed performance
22 bonds on an annual basis renewed each year for the
23 term of the contract. An energy performance-based
24 contract may provide for payments over a period of
25 time, not to exceed twenty years.
26 7. Nothing in this chapter shall be construed to
27 prohibit public corporations, school corporations,
28 community colleges, or institutions under the control
29 of the state board of regents from utilizing savings
30 resulting from energy conservation measures, in excess
31 of the amount needed to pay for the measures, for
32 discretionary budget operations including but not
33 limited to school instructional computer hardware,
34 software, technology training, upgrades, or other
35 similar uses."

**By** THOMAS G. COURTNEY
MARY A. LUNDBY

**S-3290** FILED MAY 6, 2005
WITHDRAWN

S-3291

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 19, by inserting after line 12 the
4 following:
5 "Sec. ___. NEW SECTION. 422.11K SCHOOL TUITION
6 ORGANIZATION TAX CREDIT.
7 1. The taxes imposed under this division less the
8 credits allowed under sections 422.12 and 422.12B
9 shall be reduced by a school tuition organization tax
10 credit equal to fifty percent of the amount of the
11 voluntary cash contributions made by the taxpayer
12 during the fiscal year ending in the tax year.
13 2. To be eligible for this credit, all of the
14 following shall apply:
15 a. A deduction pursuant to section 170 of the
16 Internal Revenue Code for any amount of the
17 contribution is not taken for state tax purposes.
18 b. The contribution does not designate that any
19 part of the contribution be used for the direct
20 benefit of any dependent of the taxpayer or for any
21 other student designated by the taxpayer.
22 c. Each school tuition organization shall apply
23 for tax credits on behalf of the taxpayers making
24 contributions to the organization. The application
25 shall be filed with the department by August 15
26 following the end of the fiscal year and shall contain
27 a listing of each taxpayer, the taxpayer's
28 contribution, and each of the ratios that the
29 contributions used for allowable expenditures for
30 public and private nonprofit preschools, public school
31 districts, and nonpublic elementary and secondary
32 schools are to the total allowable expenditures. The
33 department shall compute the amount of credits
34 attributable to the contributions benefiting each of
35 the three types of qualified schools. The total
36 amount of tax credits that may be approved for any
37 fiscal year is fifteen million dollars with a limit of
38 five million dollars in tax credits for each type of
39 qualified school. However, if all the tax credits
40 available for one type of qualified school are not
41 used, the excess shall be evenly distributed to
42 increase the limit for the other types. If tax
43 credits exceed the limit, the amount available to each
44 taxpayer shall be prorated.
45 Notwithstanding any other provision, the maximum
46 tax credit a taxpayer may receive shall not exceed an
47 amount equal to fifty thousandths of one percent of
48 the combined available credits for all types for
49 married taxpayers filing jointly or equal to twenty-
50 five thousandths of one percent of the combined

1 available credits for all types for all other
2 taxpayers.
3 The department shall notify the school tuition
4 organization of the amount of each taxpayer's tax
5 credit by November 1 of the tax year. The school
6 tuition organization shall notify the taxpayers of
7 their amount of tax credit by December 1 of the tax
8 year.
9 3. Any credit in excess of the tax liability is
10 not refundable but the excess for the tax year may be
11 credited to the tax liability for the following five
12 tax years or until depleted, whichever is the earlier.
13 4. Married taxpayers who file separate returns or
14 file separately on a combined return form must
15 determine the tax credit based upon their combined net
16 income and allocate the total credit amount to each
17 spouse in the proportion that each spouse's respective
18 net income bears to the total combined net income.
19 Nonresidents or part-year residents of Iowa must
20 determine their tax credit in the ratio of their Iowa
21 source net income to their all source net income.
22 Nonresidents or part-year residents who are married
23 and elect to file separate returns or to file
24 separately on a combined return form must allocate the
25 tax credit between the spouses in the ratio of each
26 spouse's Iowa source net income to the combined Iowa
27 source net income of the taxpayers.
28 5. For purposes of this section:
29 a. "Allowable expenditures" means either of the
30 following:
31 (1) In the case of public school districts,
32 curricular expenses associated with attendance at an
33 elementary or secondary school comparable to items
34 covered by tuition at a nonpublic school, including,
35 but not limited to, fees for summer school, tutoring,
36 driver education, and postsecondary enrollment
37 options.
38 (2) In the case of public and private nonprofit
39 preschools and nonpublic elementary and secondary
40 schools, tuition grants and scholarships.
41 b. "Qualified school" means a public or private
42 nonprofit preschool, as defined in section 237A.1, in
43 this state, a public school district in this state, or
44 a nonpublic elementary or secondary school in this
45 state which is accredited under section 256.11 and
46 adheres to the provisions of the federal Civil Rights
47 Act of 1964 and chapter 216.
48 c. (1) "School tuition organization" means a
49 charitable organization in this state that is exempt
50 from federal income taxation under section 501(c)(3)

1 of the Internal Revenue Code and that allocates at
2 least ninety percent of its annual revenue for
3 allowable expenditures to children to allow them to
4 attend any qualified school of their parents' choice.
5 (2) A school tuition organization shall only award
6 allowable expenditures to children who reside in Iowa.
7 In addition, to qualify as a school tuition
8 organization, the charitable organization shall
9 provide allowable expenditures to students without
10 limiting availability to only students of one school
11 and shall prioritize the provision of such allowable
12 expenditures to students from families whose incomes
13 are less than two hundred percent of the federal
14 poverty level, as defined by the most recently revised
15 income guidelines published by the United States
16 department of health and human services.
17 6. A school tuition organization that receives a
18 voluntary cash contribution pursuant to this section
19 shall report to the department, in a form prescribed
20 by the department, by August 15 of each fiscal year
21 all of the following information:
22 a. The name, address, and contact name of the
23 school tuition organization.
24 b. The total number of contributions received
25 during the previous fiscal year.
26 c. The total dollar amount of contributions
27 received during the previous fiscal year.
28 d. The total number of children awarded allowable
29 expenditures during the previous fiscal year.
30 e. The total dollar amount of allowable
31 expenditures awarded during the previous fiscal year.
32 f. For each school or school district to which
33 allowable expenditures were awarded all of the
34 following shall be provided:
35 (1) The name and address of the school.
36 (2) The number of allowable expenditures awarded
37 during the previous fiscal year.
38 (3) The total dollar amount of allowable
39 expenditures awarded during the previous fiscal year."
40 2. Page 24, by inserting after line 27 the
41 following:
42 "Sec. ___. APPLICABILITY DATE. The section of
43 this division of this Act enacting section 422.11K
44 applies to tax years beginning on or after January 1,
45 2006."

**By** DAVID JOHNSON
DAVE MULDER

**S-3291** FILED MAY 6, 2005
WITHDRAWN

**HOUSE FILE 882**

**S-3293**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 13, by inserting after line 35 the
4 following:
5 "Sec. ___. Section 8D.2, subsection 5, paragraph
6 b, Code 2005, is amended to read as follows:
7 b. For the purposes of this chapter, "public
8 agency" also includes any homeland security or defense
9 facility or disaster response agency established by
10 the administrator of the homeland security and
11 emergency management division of the department of
12 public defense or the governor or any facility
13 connected with a security or defense system or
14 disaster response as required by the administrator of
15 the homeland security and emergency management
16 division of the department of public defense or the
17 governor.
18 Sec. ___. Section 8D.9, subsection 3, Code 2005,
19 is amended to read as follows:
20 3. A facility that is considered a public agency
21 pursuant to section 8D.2, subsection 5, paragraph "b",
22 shall be authorized to access the Iowa communications
23 network strictly for homeland security communication
24 purposes and disaster communication purposes. Any
25 utilization of the network that is not related to
26 communications concerning homeland security or a
27 disaster, as defined in section 29C.2, is expressly
28 prohibited. Access under this subsection shall be
29 available only if a state of disaster emergency is
30 proclaimed by the governor pursuant to section 29C.6
31 or a homeland security or disaster event occurs
32 requiring connection of disparate communications
33 systems between public agencies to provide for a
34 multi-agency or multi-jurisdictional response. Access
35 shall continue only for the period of time the
36 homeland security or disaster event exists. For
37 purposes of this subsection, disaster communication
38 purposes includes training and exercising for a
39 disaster if public notice of the training and
40 exercising session is posted on the website of the
41 homeland security and emergency management division of
42 the department of public defense. A scheduled and
43 noticed training and exercising session shall not
44 exceed five days. Interpretation and application of
45 the provisions of this subsection shall be strictly
46 construed."

**By** RON WIECK ROBERT E. DVORSKY
STEVEN H. WARNSTADT JEFF ANGELO

**S-3293** FILED MAY 6, 2005
ADOPTED

**HOUSE FILE 882**

**S-3297**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 18, by inserting after line 30 the
4 following:
5 "Sec. ___. Section 384.4, Code 2005, is amended by
6 adding the following new subsection:
7 NEW SUBSECTION. 5. Principal and interest on
8 obligations issued prior to July 1, 2006, for urban
9 renewal project activities under chapter 403, but only
10 to the extent necessary to make up any shortfall in
11 the revenues allocated to the special fund of the city
12 pursuant to section 403.19, subsection 2, which
13 results from the increase in the regular program
14 foundation base pursuant to section 257.1, subsection
15 2, after deduction for any such revenue increases as a
16 result of imposition of the optional supplemental
17 amount pursuant to section 260C.17. This subsection
18 is repealed effective January 1, 2026."
19 2. Page 24, by inserting after line 27 the
20 following:
21 "Sec. ___. CONTINGENT EFFECTIVE DATE. The section
22 of this division of this Act amending section 384.4 is
23 contingent upon the enactment of the optional
24 supplemental amount pursuant to section 260C.17, if
25 enacted, by 2005 Iowa Acts, Senate File 416."

**By** JOE BOLKCOM

**S-3297** FILED MAY 6, 2005
WITHDRAWN

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 26, the
4 following:
5 "DIVISION
6 PORT AUTHORITY
7 Sec. ___. NEW SECTION. 28J.1 DEFINITIONS.
8 As used in this chapter, unless the context
9 otherwise requires:
10 1. "Authorized purposes" means an activity that
11 enhances, fosters, aids, provides, or promotes
12 transportation, economic development, housing,
13 recreation, education, governmental operations,
14 culture, or research within the jurisdiction of a port
15 authority.
16 2. "Board" means the board of directors of a port
17 authority established pursuant to section 28J.2.
18 3. "City" means the same as defined in section
19 362.2.
20 4. "Construction" means alteration, creation,
21 development, enlargement, erection, improvement,
22 installation, reconstruction, remodeling, and
23 renovation.
24 5. "Contracting governmental agency" means any
25 governmental agency or taxing district of the state
26 that, by action of its legislative authority, enters
27 into an agreement with a port authority pursuant to
28 section 28J.17.
29 6. "Cost" as applied to a port authority facility
30 means any of the following:
31 a. The cost of construction contracts, land,
32 rights-of-way, property rights, easements, franchise
33 rights, and interests required for acquisition or
34 construction.
35 b. The cost of demolishing or removing any
36 buildings or structures on land, including the cost of
37 acquiring any lands to which those buildings or
38 structures may be moved.
39 c. The cost of diverting a highway, interchange of
40 a highway, and access roads to private property,
41 including the cost of land or easements, and
42 relocation of a facility of a utility company or
43 common carrier.
44 d. The cost of machinery, furnishings, equipment,
45 financing charges, interest prior to and during
46 construction and for no more than twelve months after
47 completion of construction, engineering, and expenses
48 of research and development with respect to a
49 facility.
50 e. Legal and administrative expenses, plans,

specifications, surveys, studies, estimates of cost and revenues, engineering services, and other expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing a facility.

f. The interest upon the revenue bonds and pledge orders during the period or estimated period of construction and for twelve months thereafter, or for twelve months after the acquisition date, reserve funds as the port authority deems advisable in connection with a facility and the issuance of port authority revenue bonds and pledge orders.

g. The costs of issuance of port authority revenue bonds and pledge orders.

h. The cost of diverting a rail line, rail spur track, or rail spur track switch, including the cost of land or easements, and relocation of a facility of a utility company or common carrier.

i. The cost of relocating an airport's runways, terminals, and related facilities including the cost of land or easements, and relocation of a facility of a utility company or common carrier.

7. "Facility" or "port authority facility" means real or personal property owned, leased, or otherwise controlled or financed by a port authority and related to or in furtherance of one or more authorized purposes.

8. "Governmental agency" means a department, division, or other unit of state government of this state or any other state, city, county, township, or other governmental subdivision, or any other public corporation or agency created under the laws of this state, any other state, the United States, or any department or agency thereof, or any agency, commission, or authority established pursuant to an interstate compact or agreement or combination thereof.

9. "Person" means the same as defined in section 4.1.

10. "Pledge order" means a promise to pay out of the net revenues of a port authority, which is delivered to a contractor or other person in payment of all or part of the cost of a facility.

11. "Political subdivision" means a city, county, city-county consolidation, or multicounty consolidation, or combination thereof.

12. "Political subdivisions comprising the port authority" means the political subdivisions which created or participated in the creation of the port authority under section 28J.2, or which joined an

1 existing port authority under section 28J.4.
2 13. "Port authority" means an entity created
3 pursuant to section 28J.2.
4 14. "Port authority revenue bonds" means revenue
5 bonds and revenue refunding bonds issued pursuant to
6 section 28J.21.
7 15. "Public roads" means all public highways,
8 roads, and streets in this state, whether maintained
9 by the state or by a county or city.
10 16. "Revenues" means rental fees and other charges
11 received by a port authority for the use or services
12 of a facility, a gift or grant received with respect
13 to a facility, moneys received with respect to the
14 lease, sublease, sale, including installment sale or
15 conditional sale, or other disposition of a facility,
16 moneys received in repayment of and for interest on
17 any loans made by the port authority to a person or
18 governmental agency, proceeds of port authority
19 revenue bonds for payment of principal, premium, or
20 interest on the bonds authorized by the port
21 authority, proceeds from any insurance, condemnation,
22 or guarantee pertaining to the financing of the
23 facility, and income and profit from the investment of
24 the proceeds of port authority revenue bonds or of any
25 revenues.
26 Sec. ___. NEW SECTION. 28J.2 CREATION AND POWERS
27 OF PORT AUTHORITY.
28 1. Two or more political subdivisions may create a
29 port authority under this chapter by resolution. If a
30 proposal to create a port authority receives a
31 favorable majority of the members of the elected
32 legislative body of the political subdivision, the
33 port authority is created at the time provided in the
34 resolution. The jurisdiction of a port authority
35 includes the territory described in section 28J.8.
36 2. A port authority created pursuant to this
37 section may sue and be sued, complain, and defend in
38 its name and has the powers and jurisdiction
39 enumerated in this chapter.
40 3. At the time a port authority is created
41 pursuant to this section, the political subdivisions
42 comprising the port authority may restrict the powers
43 granted the port authority pursuant to this chapter by
44 specifically adopting such restrictions in the
45 resolution creating the port authority.
46 4. The political subdivisions comprising the port
47 authority whose powers have been restricted pursuant
48 to subsection 3 may at any time adopt a resolution to
49 grant additional powers to the port authority, so long
50 as the additional powers do not exceed the powers

1 permitted under this chapter.
2 Sec. ___. NEW SECTION. 28J.3 APPROPRIATION AND
3 EXPENDITURE OF PUBLIC FUNDS -- DISSOLUTION.
4 1. The political subdivisions comprising a port
5 authority may appropriate and expend public funds to
6 finance or subsidize the operation and authorized
7 purposes of the port authority. A port authority
8 shall control tax revenues allocated to the facilities
9 the port authority administers and all revenues
10 derived from the operation of the port authority, the
11 sale of its property, interest on investments, or from
12 any other source related to the port authority.
13 2. All revenues received by the port authority
14 shall be held in a separate fund in a manner agreed to
15 by the political subdivisions comprising the port
16 authority. Revenues may be paid out only at the
17 direction of the board of directors of the port
18 authority.
19 3. A port authority shall comply with section
20 331.341, subsections 1, 2, 4, and 5, and section
21 331.342, when contracting for public improvements.
22 4. Subject to making due provisions for payment
23 and performance of any outstanding obligations, the
24 political subdivisions comprising the port authority
25 may dissolve the port authority, and transfer the
26 property of the port authority to the political
27 subdivisions comprising the port authority in a manner
28 agreed upon between the political subdivisions
29 comprising the port authority prior to the dissolution
30 of the port authority.
31 Sec. ___. NEW SECTION. 28J.4 JOINING AN EXISTING
32 PORT AUTHORITY.
33 1. A political subdivision which is contiguous to
34 either a political subdivision which participated in
35 the creation of the port authority or a political
36 subdivision which proposes to join the port authority
37 at the same time which is contiguous to a political
38 subdivision which participated in the creation of the
39 port authority may join the port authority by
40 resolution.
41 2. If more than one such political subdivision
42 proposes to join the port authority at the same time,
43 the resolution of each such political subdivision
44 shall designate the political subdivisions which are
45 to be so joined.
46 3. Any territory or city not included in a port
47 authority which is annexed to a city included within
48 the jurisdiction of a port authority shall, on such
49 annexation and without further proceedings, be annexed
50 to and be included in the jurisdiction of the port

1 authority.
2 4. Before a political subdivision is joined to a
3 port authority, other than by annexation to a city,
4 the political subdivisions comprising the port
5 authority shall agree upon the terms and conditions
6 pursuant to which such political subdivision is to be
7 joined.
8 5. For the purpose of this chapter, such political
9 subdivision shall be considered to have participated
10 in the creation of the port authority, except that the
11 initial term of any director of the port authority
12 appointed by a joining political subdivision shall be
13 four years.
14 6. After each resolution proposing a political
15 subdivision to join a port authority has become
16 effective and the terms and conditions of joining the
17 port authority have been agreed to, the board of
18 directors of the port authority shall by resolution
19 either accept or reject the proposal. Such proposal
20 to join a port authority shall be effective upon
21 adoption of the resolution by the board of directors
22 of the port authority and thereupon the jurisdiction
23 of the port authority includes the joining political
24 subdivision.
25 Sec. ___. NEW SECTION. 28J.5 MEMBERSHIP OF BOARD
26 OF DIRECTORS.
27 1. A port authority created pursuant to section
28 28J.2 shall be governed by a board of directors.
29 Members of a board of directors of a port authority
30 shall be divided among the political subdivisions
31 comprising the port authority in such proportions as
32 the political subdivisions may agree and shall be
33 appointed by the respective political subdivision's
34 elected legislative body.
35 2. The number of directors comprising the board
36 shall be determined by agreement between the political
37 subdivisions comprising the port authority, and which
38 number may be changed by resolution of the political
39 subdivisions comprising the port authority.
40 3. A majority of the directors shall have been
41 qualified electors of, or owned a business or been
42 employed in, one or more political subdivisions within
43 the area of the jurisdiction of the port authority for
44 a period of at least three years preceding
45 appointment.
46 4. The directors of a port authority first
47 appointed shall serve staggered terms. Thereafter
48 each successor director shall serve for a term of four
49 years, except that any person appointed to fill a
50 vacancy shall be appointed to only the unexpired term.

1 A director is eligible for reappointment.
2 5. The board may provide procedures for the
3 removal of a director who fails to attend three
4 consecutive regular meetings of the board. If a
5 director is so removed, a successor shall be appointed
6 for the remaining term of the removed director in the
7 same manner provided for the original appointment.
8 The appointing body may at any time remove a director
9 appointed by it for misfeasance, nonfeasance, or
10 malfeasance in office.
11 6. The board may adopt bylaws and shall elect one
12 director as chairperson and one director as vice
13 chairperson, designate terms of office, and appoint a
14 secretary who need not be a director.
15 7. A majority of the board of directors shall
16 constitute a quorum for the purpose of holding a
17 meeting of the board. The affirmative vote of a
18 majority of a quorum shall be necessary for any action
19 taken by the port authority unless the board
20 determines that a greater number of affirmative votes
21 is necessary for particular actions to be taken by the
22 port authority. A vacancy in the membership of the
23 board shall not impair the rights of a quorum to
24 exercise all the rights and perform all the duties of
25 the port authority.
26 8. Each director shall be entitled to receive from
27 the port authority such sum of money as the board may
28 determine as compensation for services as a director
29 and reimbursement for reasonable expenses in the
30 performance of official duties.
31 Sec. ___. NEW SECTION. 28J.6 CIVIL IMMUNITY OF
32 DIRECTORS.
33 A director of a port authority shall not be
34 personally liable for any monetary damages that arise
35 from actions taken in the performance of the
36 director's official duties, except for acts or
37 omissions that are not in good faith or that involve
38 intentional misconduct, a knowing violation of law, or
39 any transaction from which the director derived an
40 improper personal benefit.
41 Sec. ___. NEW SECTION. 28J.7 EMPLOYEES, ADVISORY
42 BOARD, PEACE OFFICERS.
43 1. A port authority shall employ and fix the
44 qualifications, duties, and compensation of any
45 employees and enter into contracts for any services
46 that may be required to conduct the business of the
47 port authority, and may appoint an advisory board,
48 which shall serve without compensation.
49 2. An employee of a port authority is a public
50 employee for the purposes of collective bargaining

1 under chapter 20.
2 3. a. A port authority may provide for the
3 administration and enforcement of the laws of the
4 state by employing peace officers who shall have all
5 the powers conferred by law on peace officers of this
6 state with regard to the apprehension of violators
7 upon all property under its control within and without
8 the port authority. The peace officers may seek the
9 assistance of other appropriate law enforcement
10 officers to enforce its rules and maintain order.
11 b. Peace officers employed by a port authority
12 shall meet all requirements as police officers
13 appointed under the civil service law of chapter 400
14 and shall participate in the retirement system
15 established by chapter 411.
16 c. Peace officers employed by a port authority
17 shall serve as a peace officer force with respect to
18 the property, grounds, buildings, equipment, and
19 facilities under the control of the port authority, to
20 prevent hijacking of aircraft or watercraft, protect
21 the property of the authority and the property of
22 others located thereon, suppress nuisances and
23 disturbances and breaches of the peace, and enforce
24 laws and the rules of the port authority for the
25 preservation of good order. Peace officers are vested
26 with the same powers of arrest as peace officers under
27 section 804.7.
28 4. If an employee of a political subdivision
29 comprising the port authority is transferred to a
30 comparable position with the port authority, the
31 employee is entitled to suffer no loss in pay,
32 pension, fringe benefits, or other benefits and shall
33 be entitled to a comparable rank and grade as the
34 employee's prior position. Sick leave, longevity, and
35 vacation time accrued to such employees shall be
36 credited to them as employees of the port authority.
37 All rights and accruals of such employees as members
38 of the Iowa public employees' retirement system
39 pursuant to chapter 97B and the retirement system for
40 police officers pursuant to chapter 411 shall remain
41 in force and shall be automatically transferred to the
42 port authority.
43 Sec. ___. NEW SECTION. 28J.8 AREA OF
44 JURISDICTION.
45 1. The area of jurisdiction of a port authority
46 shall include all of the territory of the political
47 subdivisions comprising the port authority and, if the
48 port authority owns or leases a railroad line or
49 airport, the territory on which the railroad's line,
50 terminals, and related facilities or the airport's

1 runways, terminals, and related facilities are
2 located, regardless of whether the territory is
3 located in the political subdivisions comprising the
4 port authority.
5 2. A political subdivision that has created a port
6 authority or joined an existing port authority shall
7 not be included in any other port authority.
8 Sec. ___. NEW SECTION. 28J.9 POWERS OF PORT
9 AUTHORITY.
10 A port authority may exercise all of the following
11 powers:
12 1. Adopt bylaws for the regulation of the port
13 authority's affairs and the conduct of the port
14 authority's business.
15 2. Adopt an official seal.
16 3. Maintain a principal office and branch offices
17 within the port authority's jurisdiction.
18 4. Acquire, construct, furnish, equip, maintain,
19 repair, sell, exchange, lease, lease with an option to
20 purchase, convey interests in real or personal
21 property, and operate any property of the port
22 authority in connection with transportation,
23 recreational, governmental operations, or cultural
24 activities in furtherance of an authorized purpose.
25 5. Straighten, deepen, and improve any channel,
26 river, stream, or other watercourse or way which may
27 be necessary or proper in the development of the
28 facilities of the port authority.
29 6. Make available the use or services of any
30 facility of the port authority to any person or
31 governmental agency.
32 7. Issue bonds or pledge orders pursuant to the
33 requirements and limitations in section 28J.21.
34 8. Issue port authority revenue bonds beyond the
35 limit of bonded indebtedness provided by law, payable
36 solely from revenues as provided in section 28J.21,
37 for the purpose of providing funds to pay the costs of
38 any facility or facilities of the port authority or
39 parts thereof.
40 9. Apply to the proper authorities of the United
41 States for the right to establish, operate, and
42 maintain foreign trade zones and establish, operate,
43 and maintain foreign trade zones and to acquire,
44 exchange, sell, lease to or from, lease with an option
45 to purchase, or operate facilities, land, or property
46 in accordance with the federal Foreign Trade Zones
47 Act, 19 U.S.C. § 81a-81u.
48 10. Enjoy and possess the same legislative and
49 executive rights, privileges, and powers granted
50 cities under chapter 364 and counties under chapter

331, including the exercise of police power but excluding the power to levy taxes.

11. Maintain such funds as it considers necessary and adhere to the public funds investment standards of chapter 12B, as applicable.

12. Direct port authority agents or employees, after at least five days' written notice, to enter upon lands within the port authority's jurisdiction to make surveys and examinations preliminary to location and construction of works for the port authority, without liability of the port authority or its agents or employees except for actual damages.

13. Promote, advertise, and publicize the port authority and its facilities, and provide information to shippers and other commercial interests.

14. Adopt bylaws, not in conflict with state or federal law, necessary or incidental to the performance of the duties of and the execution of the powers of the port authority under this chapter.

15. Do any of the following in regard to interests in real or personal property, including machinery, equipment, plants, factories, offices, and other structures and facilities related to or in furtherance of any authorized purpose as the board in its sole discretion may determine:

a. Loan money to any person or governmental agency for the acquisition, construction, furnishing, or equipping of the property.

b. Acquire, construct, maintain, repair, furnish, or equip the property.

c. Sell to, exchange with, lease, convey other interests in, or lease with an option to purchase the same or any lesser interest in the property to the same or any other person or governmental agency.

d. Guarantee the obligations of any person or governmental agency.

e. Accept and hold as consideration for the conveyance of property or any interest therein such property or interests therein as the board may determine, notwithstanding any restrictions that apply to the investment of funds by a port authority.

16. Sell, lease, or convey other interests in real and personal property, and grant easements or rights-of-way over property of the port authority. The board shall specify the consideration and terms for the sale, lease, or conveyance of other interests in real and personal property. A determination made by the board under this subsection shall be conclusive. The sale, lease, or conveyance may be made without advertising and the receipt of bids.

17. Enter into an agreement with a political subdivision comprising the port authority for the political subdivision to exercise its right of eminent domain pursuant to chapters 6A and 6B on behalf of the port authority. However, a condemnation exercised on behalf of a port authority pursuant to this subsection shall not take or disturb property or a facility belonging to a governmental agency, utility company, or common carrier, which property or facility is necessary and convenient in the operation of the governmental agency, utility company, or common carrier, unless provision is made for the restoration, relocation, or duplication of such property or facility, or upon the election of the governmental agency, utility company, or common carrier, for the payment of compensation, if any, at the sole cost of the port authority, provided that both of the following apply:

a. If a restoration or duplication proposed to be made under this subsection involves a relocation of the property or facility, the new facility and location shall be of at least comparable utilitarian value and effectiveness and shall not impair the ability of the utility company or common carrier to compete in its original area of operation.

b. If a restoration or duplication made under this subsection involves a relocation of the property or facility, the port authority shall acquire no interest or right in or to the appropriated property or facility, until the relocated property or facility is available for use and until marketable title thereto has been transferred to the utility company or common carrier.

18. a. Make and enter into all contracts and agreements and execute all instruments necessary or incidental to the performance of the duties of and the execution of powers of the port authority under this chapter.

b. Except as provided in paragraph "c", when the cost of a contract for the construction of a building, structure, or other improvement undertaken by a port authority involves an expenditure exceeding twenty-five thousand dollars, and the port authority is the contracting entity, the port authority shall make a written contract after notice calling for bids for the award of the contract has been given by publication twice, with at least seven days between publications, in a newspaper of general circulation in the area of the port authority. Each such contract shall be let to the lowest responsive and responsible bidder.

1 Every contract shall be accompanied by or shall refer
2 to plans and specifications for the work to be done,
3 prepared for and approved by the port authority, and
4 signed by an authorized officer of the port authority
5 and by the contractor.
6 c. The board of directors may provide criteria for
7 the negotiation and award without competitive bidding
8 of any contract as to which the port authority is the
9 contracting entity for the construction of any
10 building or structure or other improvement under any
11 of the following circumstances:
12 (1) A real and present emergency exists that
13 threatens damage or injury to persons or property of
14 the port authority or other persons, provided that a
15 statement specifying the nature of the emergency that
16 is the basis for the negotiation and award of a
17 contract without competitive bidding shall be signed
18 by the officer of the port authority that executes
19 that contract at the time of the contract's execution
20 and shall be attached to the contract.
21 (2) A commonly recognized industry or other
22 standard or specification does not exist and cannot
23 objectively be articulated for the improvement.
24 (3) The contract is for any energy conservation
25 measure as defined in section 7D.34.
26 (4) With respect to material to be incorporated
27 into the improvement, only a single source or supplier
28 exists for the material.
29 (5) A single bid is received by the port authority
30 after complying with the provisions of paragraph "b".
31 d. (1) If a contract is to be negotiated and
32 awarded without competitive bidding for the reason set
33 forth in paragraph "c", subparagraph (2), the port
34 authority shall publish a notice calling for technical
35 proposals at least twice, with at least seven days
36 between publications, in a newspaper of general
37 circulation in the area of the port authority. After
38 receipt of the technical proposals, the port authority
39 may negotiate with and award a contract for the
40 improvement to the person making the proposal
41 considered to be the most advantageous to the port
42 authority.
43 (2) If a contract is to be negotiated and awarded
44 without competitive bidding for the reason set forth
45 in paragraph "c", subparagraph (4), construction
46 activities related to the incorporation of the
47 material into the improvement also may be provided
48 without competitive bidding by the source or supplier
49 of that material.
50 e. A purchase, exchange, sale, lease, lease with

1 an option to purchase, conveyance of other interests
2 in, or other contract with a person or governmental
3 agency that pertains to the acquisition, construction,
4 maintenance, repair, furnishing, equipping, or
5 operation of any real or personal property, related to
6 or in furtherance of economic development and the
7 provision of adequate housing, shall be made in such
8 manner and subject to such terms and conditions as may
9 be determined in the board's discretion. This
10 paragraph applies to all contracts that are subject to
11 this section, notwithstanding any other provision of
12 law that might otherwise apply, including a
13 requirement of notice, competitive bidding or
14 selection, or for the provision of security. However,
15 this paragraph shall not apply to a contract secured
16 exclusively by or to be paid exclusively from the
17 general revenues of the port authority. For the
18 purposes of this paragraph, any revenues derived by
19 the port authority under a lease or other agreement
20 that, by its terms, contemplates the use of amounts
21 payable under the agreement either to pay the costs of
22 the improvement that is the subject of the contract or
23 to secure obligations of the port authority issued to
24 finance costs of such improvement, are excluded from
25 general revenues.
26 19. Employ managers, superintendents, and other
27 employees and retain or contract with consulting
28 engineers, financial consultants, accounting experts,
29 architects, attorneys, and any other consultants and
30 independent contractors as are necessary in the port
31 authority's judgment to carry out this chapter, and
32 fix the compensation thereof. All expenses thereof
33 shall be payable from any available funds of the port
34 authority or from funds appropriated for that purpose
35 by the political subdivisions comprising the port
36 authority.
37 20. Receive and accept from a governmental agency
38 grants and loans for the construction of a port
39 authority facility, for research and development with
40 respect to a port authority facility, or any other
41 authorized purpose, and receive and accept aid or
42 contributions from any source of moneys, property,
43 labor, or other things of value, to be held, used, and
44 applied only for the purposes for which the grants,
45 loans, aid, or contributions are made.
46 21. Engage in research and development with
47 respect to a port authority facility.
48 22. Purchase fire and extended coverage and
49 liability insurance for a port authority facility and
50 for the principal office and branch offices of the

1 port authority, insurance protecting the port
2 authority and its officers and employees against
3 liability for damage to property or injury to or death
4 of persons arising from its operations, and any other
5 insurance the port authority may agree to provide
6 under a resolution authorizing port authority revenue
7 bonds, pledge orders, or in any trust agreement
8 securing the same.
9 23. Charge, alter, and collect rental fees and
10 other charges for the use or services of a port
11 authority facility as provided in section 28J.16.
12 24. Perform all acts necessary or proper to carry
13 out the powers expressly granted in this chapter.
14 Sec. ___. NEW SECTION. 28J.10 PARTICIPATION OF
15 PRIVATE ENTERPRISE.
16 The port authority shall foster and encourage the
17 participation of private enterprise in the development
18 of the port authority facilities to the fullest extent
19 practicable in the interest of limiting the necessity
20 of construction and operation of the facilities by the
21 port authority.
22 Sec. ___. NEW SECTION. 28J.11 PROVISIONS DO NOT
23 AFFECT OTHER LAWS OR POWERS.
24 This chapter shall not do any of the following:
25 1. Impair a provision of law directing the payment
26 of revenues derived from public property into sinking
27 funds or dedicating those revenues to specific
28 purposes.
29 2. Impair the powers of a political subdivision to
30 develop or improve a port and terminal facility except
31 as restricted by section 28J.15.
32 3. Enlarge, alter, diminish, or affect in any way,
33 a lease or conveyance made, or action taken prior to
34 the creation of a port authority under section 28J.2
35 by a city or a county.
36 4. Impair or interfere with the exercise of a
37 permit for the removal of sand or gravel, or other
38 similar permits issued by a governmental agency.
39 5. Impair or contravene applicable federal
40 regulations.
41 Sec. ___. NEW SECTION. 28J.12 CONVEYANCE, LEASE,
42 OR EXCHANGE OF PUBLIC PROPERTY.
43 A port authority may convey or lease, lease with an
44 option to purchase, or exchange with any governmental
45 agency or other port authority without competitive
46 bidding and on mutually agreeable terms, any personal
47 or real property, or any interest therein.
48 Sec. ___. NEW SECTION. 28J.13 ANNUAL BUDGET --
49 USE OF RENTS AND CHARGES.
50 The board shall annually prepare a budget for the

1 port authority. Revenues received by the port
2 authority shall be used for the general expenses of
3 the port authority and to pay interest, amortization,
4 and retirement charges on money borrowed. Except as
5 provided in section 28J.26, if there remains, at the
6 end of any fiscal year, a surplus of such funds after
7 providing for the above uses, the board shall pay such
8 surplus into the general funds of the political
9 subdivisions comprising the port authority as agreed
10 to by the subdivisions.
11 Sec. ___. NEW SECTION. 28J.14 SECRETARY TO
12 FURNISH BOND -- DEPOSIT AND DISBURSEMENT OF FUNDS.
13 Before receiving any revenues, the secretary of a
14 port authority shall furnish a bond in such amount as
15 shall be determined by the port authority with
16 sureties satisfactory to the port authority, and all
17 funds coming into the hands of the secretary shall be
18 deposited by the secretary to the account of the port
19 authority in one or more such depositories as shall be
20 qualified to receive deposits of county funds, which
21 deposits shall be secured in the same manner as county
22 funds are required to be secured. A disbursement
23 shall not be made from such funds except in accordance
24 with policies and procedures adopted by the port
25 authority.
26 Sec. ___. NEW SECTION. 28J.15 LIMITATION ON
27 CERTAIN POWERS OF POLITICAL SUBDIVISIONS.
28 A political subdivision creating or participating
29 in the creation of a port authority in accordance with
30 section 28J.2 shall not, during the time the port
31 authority is in existence, exercise the rights and
32 powers provided in chapters 28A, 28K, and 384 relating
33 to the political subdivision's authority over a port,
34 wharf, dock, harbor or other facility substantially
35 similar to that political subdivision's authority
36 under a port authority granted under this chapter.
37 Sec. ___. NEW SECTION. 28J.16 RENTALS OR CHARGES
38 FOR USE OR SERVICES OF FACILITIES -- AGREEMENTS WITH
39 GOVERNMENTAL AGENCIES.
40 1. a. A port authority may charge, alter, and
41 collect rental fees or other charges for the use or
42 services of any port authority facility and contract
43 for the use or services of a facility, and fix the
44 terms, conditions, rental fees, or other charges for
45 the use or services.
46 b. If the services are furnished in the
47 jurisdiction of the port authority by a utility
48 company or a common carrier, the port authority's
49 charges for the services shall not be less than the
50 charges established for the same services furnished by

1 a utility company or common carrier in the port
2 authority jurisdiction.
3 c. The rental fees or other charges shall not be
4 subject to supervision or regulation by any other
5 authority, commission, board, bureau, or governmental
6 agency of the state and the contract may provide for
7 acquisition of all or any part of the port authority
8 facility for such consideration payable over the
9 period of the contract or otherwise as the port
10 authority determines to be appropriate, but subject to
11 the provisions of any resolution authorizing the
12 issuance of port authority revenue bonds or any trust
13 agreement securing the bonds.
14 d. A governmental agency that has power to
15 construct, operate, and maintain a port authority
16 facility may enter into a contract or lease with a
17 port authority for the use or services of a port
18 authority facility as may be agreed to by the port
19 authority and the governmental agency.
20 2. a. A governmental agency may cooperate with
21 the port authority in the acquisition or construction
22 of a port authority facility and shall enter into such
23 agreements with the port authority as may be
24 appropriate, which shall provide for contributions by
25 the parties in a proportion as may be agreed upon and
26 other terms as may be mutually satisfactory to the
27 parties including the authorization of the
28 construction of the facility by one of the parties
29 acting as agent for all of the parties and the
30 ownership and control of the facility by the port
31 authority to the extent necessary or appropriate.
32 b. A governmental agency may provide funds for the
33 payment of any contribution required under such
34 agreements by the levy of taxes or assessments if
35 otherwise authorized by the laws governing the
36 governmental agency in the construction of the type of
37 port authority facility provided for in the
38 agreements, and may pay the proceeds from the
39 collection of the taxes or assessments; or the
40 governmental agency may issue bonds or notes, if
41 authorized by law, in anticipation of the collection
42 of the taxes or assessments, and may pay the proceeds
43 of the bonds or notes to the port authority pursuant
44 to such agreements.
45 c. A governmental agency may provide the funds for
46 the payment of a contribution by the appropriation of
47 moneys or, if otherwise authorized by law, by the
48 issuance of bonds or notes and may pay the
49 appropriated moneys or the proceeds of the bonds or
50 notes to the port authority pursuant to such

1 agreements.
2 3. When the contribution of any governmental
3 agency is to be made over a period of time from the
4 proceeds of the collection of special assessments, the
5 interest accrued and to accrue before the first
6 installment of the assessments is collected, which is
7 payable by the governmental agency on the contribution
8 under the terms and provisions of the agreements,
9 shall be treated as part of the cost of the
10 improvement for which the assessments are levied, and
11 that portion of the assessments that is collected in
12 installments shall bear interest at the same rate as
13 the governmental agency is obligated to pay on the
14 contribution under the terms and provisions of the
15 agreements and for the same period of time as the
16 contribution is to be made under the agreements. If
17 the assessment or any installment thereof is not paid
18 when due, it shall bear interest until the payment
19 thereof at the same rate as the contribution and the
20 county auditor shall annually place on the tax list
21 and duplicate the interest applicable to the
22 assessment and the penalty thereon as otherwise
23 authorized by law.
24 4. A governmental agency, pursuant to a favorable
25 vote in an election regarding issuing bonds to provide
26 funds to acquire, construct, or equip, or provide real
27 estate and interests in real estate for a port
28 authority facility, whether or not the governmental
29 agency at the time of the election had the authority
30 to pay the proceeds from the bonds or notes issued in
31 anticipation of the bonds to the port authority as
32 provided in this section, may issue such bonds or
33 notes in anticipation of the issuance of the bonds and
34 pay the proceeds of the bonds or notes to the port
35 authority in accordance with an agreement with the
36 port authority; provided, that the legislative
37 authority of the governmental agency finds and
38 determines that the port authority facility to be
39 acquired or constructed in cooperation with the
40 governmental agency will serve the same public purpose
41 and meet substantially the same public need as the
42 facility otherwise proposed to be acquired or
43 constructed by the governmental agency with the
44 proceeds of the bonds and notes.
45 Sec. ___. NEW SECTION. 28J.17 CONTRACTS,
46 ARRANGEMENTS, AND AGREEMENTS.
47 1. a. A port authority may enter into a contract
48 or other arrangement with a person, railroad, utility
49 company, corporation, governmental agency including
50 sewerage, drainage, conservation, conservancy, or

1 other improvement districts in this or other states,
2 or the governments or agencies of foreign countries as
3 may be necessary or convenient for the exercise of the
4 powers granted by this chapter. The port authority
5 may purchase, lease, or acquire land or other property
6 in any county of this state and in adjoining states
7 for the accomplishment of authorized purposes of the
8 port authority, or for the improvement of the harbor
9 and port facilities over which the port authority may
10 have jurisdiction including development of port
11 facilities in adjoining states. The authority granted
12 in this section to enter into contracts or other
13 arrangements with the federal government includes the
14 power to enter into any contracts, arrangements, or
15 agreements that may be necessary to hold and save
16 harmless the United States from damages due to the
17 construction and maintenance by the United States of
18 work the United States undertakes.
19 b. A political subdivision that has participated
20 in the creation of a port authority, or is within, or
21 adjacent to a political subdivision that is within the
22 jurisdiction of a port authority, may enter into an
23 agreement with the port authority to accomplish any of
24 the authorized purposes of the port authority. The
25 agreement may set forth the extent to which the port
26 authority shall act as the agent of the political
27 subdivision.
28 2. A port authority may enter into an agreement
29 with a contracting governmental agency, whereby the
30 port authority or the contracting governmental agency
31 undertakes, and is authorized by the port authority or
32 a contracting governmental agency, to exercise any
33 power, perform any function, or render any service, on
34 behalf of the port authority or a contracting
35 governmental agency, which the port authority or the
36 contracting governmental agency is authorized to
37 exercise, perform, or render.
38 Sec. ___. NEW SECTION. 28J.18 REVENUE BONDS ARE
39 LAWFUL INVESTMENTS.
40 Port authority revenue bonds issued pursuant to
41 this chapter are lawful investments of banks, credit
42 unions, trust companies, savings and loan
43 associations, deposit guaranty associations, insurance
44 companies, trustees, fiduciaries, trustees or other
45 officers having charge of the bond retirement funds or
46 sinking funds of port authorities and governmental
47 agencies, and taxing districts of this state, the
48 pension and annuity retirement system, the Iowa public
49 employees' retirement system, the police and fire
50 retirement systems under chapters 410 and 411, a

1 revolving fund of a governmental agency of this state,
2 and are acceptable as security for the deposit of
3 public funds under chapter 12C.
4 Sec. ___. NEW SECTION. 28J.19 PROPERTY TAX
5 EXEMPTION.
6 A port authority shall be exempt from and shall not
7 be required to pay taxes on real property belonging to
8 a port authority that is used exclusively for an
9 authorized purpose as provided in section 427.1,
10 subsection 34.
11 Sec. ___. NEW SECTION. 28J.20 LOANS FOR
12 ACQUISITION OR CONSTRUCTION OF FACILITY -- SALE OF
13 FACILITY -- POWER TO ENCUMBER PROPERTY.
14 1. With respect to the financing of a facility for
15 an authorized purpose, under an agreement whereby the
16 person to whom the facility is to be leased,
17 subleased, or sold, or to whom a loan is to be made
18 for the facility, is to make payments sufficient to
19 pay all of the principal of, premium, and interest on
20 the port authority revenue bonds issued for the
21 facility, the port authority, in addition to other
22 powers under this chapter, may do any of the
23 following:
24 a. Make loans for the acquisition or construction
25 of the facility to such person upon such terms as the
26 port authority may determine or authorize including
27 secured or unsecured loans, and enter into loan
28 agreements and other agreements, accept notes and
29 other forms of obligation to evidence such
30 indebtedness and mortgages, liens, pledges,
31 assignments, or other security interests to secure
32 such indebtedness, which may be prior or subordinate
33 to or on a parity with other indebtedness,
34 obligations, mortgages, pledges, assignments, other
35 security interests, or liens or encumbrances, and take
36 actions considered appropriate to protect such
37 security and safeguard against losses, including,
38 without limitation, foreclosure and the bidding upon
39 and purchase of property upon foreclosure or other
40 sale.
41 b. Sell the facility under terms as the port
42 authority may determine, including sale by conditional
43 sale or installment sale, under which title may pass
44 prior to or after completion of the facility or
45 payment or provisions for payment of all principal of,
46 premium, and interest on the revenue bonds, or at any
47 other time provided in the agreement pertaining to the
48 sale, and including sale under an option to purchase
49 at a price which may be a nominal amount or less than
50 true value at the time of purchase.

c. Grant a mortgage, lien, or other encumbrance on, or pledge or assignment of, or other security interest with respect to, all or any part of the facility, revenues, reserve funds, or other funds established in connection with the bonds or with respect to a lease, sublease, sale, conditional sale or installment sale agreement, loan agreement, or other agreement pertaining to the lease, sublease, sale, or other disposition of a facility or pertaining to a loan made for a facility, or a guaranty or insurance agreement made with respect thereto, or an interest of the port authority therein, or any other interest granted, assigned, or released to secure payments of the principal of, premium, or interest on the bonds or to secure any other payments to be made by the port authority, which mortgage, lien, encumbrance, pledge, assignment, or other security interest may be prior or subordinate to or on a parity with any other mortgage, assignment, or other security interest, or lien or encumbrance.

d. Contract for the acquisition or construction of the facility or any part thereof and for the leasing, subleasing, sale, or other disposition of the facility in a manner determined by the port authority in its sole discretion, without necessity for competitive bidding or performance bonds.

e. Make appropriate provision for adequate maintenance of the facility.

2. With respect to a facility referred to in this section, the authority granted by this section is cumulative and supplementary to all other authority granted in this chapter. The authority granted by this section does not alter or impair a similar authority granted elsewhere in this chapter for or with respect to other facilities.

Sec. ___. NEW SECTION. 28J.21 ISSUANCE OF REVENUE AND REFUNDING BONDS.

1. A port authority may issue revenue bonds and pledge orders payable solely from the net revenues of the port authority including the revenues generated from a facility pursuant to section 28J.20. The revenue bonds may be issued in such principal amounts as, in the opinion of the port authority, are necessary for the purpose of paying the cost of one or more port authority facilities or parts thereof.

2. a. The resolution to issue the bonds must be adopted at a regular or special meeting of the board called for that purpose by a majority of the total number of members of the board. The board shall fix a date, time, and place of meeting at which it proposes

1 to take action, and give notice by publication in the
2 manner directed in section 331.305. The notice must
3 include a statement of the date, time, and place of
4 the meeting, the maximum amount of the proposed
5 revenue bonds, the purpose for which the revenue bonds
6 will be issued, and the net revenues to be used to pay
7 the principal and interest on the revenue bonds.
8 b. At the meeting the board shall receive oral or
9 written objections from any resident or property owner
10 within the jurisdiction of the port authority. After
11 all objections have been received and considered, the
12 board, at the meeting or a date to which it is
13 adjourned, may take additional action for the issuance
14 of the bonds or abandon the proposal to issue bonds.
15 Any resident or property owner within the jurisdiction
16 of the port authority may appeal a decision of the
17 board to take additional action in district court
18 within fifteen days after the additional action is
19 taken, but the additional action of the board is final
20 and conclusive unless the court finds that the board
21 exceeded its authority.
22 3. The board may sell revenue bonds or pledge
23 orders at public or private sale and may deliver
24 revenue bonds and pledge orders to the contractors,
25 sellers, and other persons furnishing materials and
26 services constituting a part of the cost of the port
27 authority facility in payment therefor. The pledge of
28 any net revenues of a port authority is valid and
29 effective as to all persons including but not limited
30 to other governmental bodies when it becomes valid and
31 effective between the port authority and the holders
32 of the revenue bonds or pledge orders.
33 4. A revenue bond is valid and binding for all
34 purposes if it bears the signatures or a facsimile of
35 the signature of the officer designated by the port
36 authority. Port authority revenue bonds may bear
37 dates, bear interest at rates not exceeding those
38 permitted by chapter 74A, bear interest at a variable
39 rate or rates changing from time to time in accordance
40 with a base or formula, mature in one or more
41 installments, be in registered form, carry
42 registration and conversion privileges, be payable as
43 to principal and interest at times and places, be
44 subject to terms of redemption prior to maturity with
45 or without premium, and be in one or more
46 denominations, all as provided by the resolution of
47 the board authorizing their issuance. The resolution
48 may also prescribe additional provisions, terms,
49 conditions, and covenants which the port authority
50 deems advisable, consistent with this chapter,

1 including provisions for creating and maintaining
2 reserve funds, the issuance of additional revenue
3 bonds ranking on a parity with such revenue bonds and
4 additional revenue bonds junior and subordinate to
5 such revenue bonds, and that such revenue bonds shall
6 rank on a parity with or be junior and subordinate to
7 any revenue bonds which may be then outstanding. Port
8 authority revenue bonds are a contract between the
9 port authority and holders and the resolution is a
10 part of the contract.
11 5. The port authority may issue revenue bonds to
12 refund revenue bonds, pledge orders, and other
13 obligations which are by their terms payable from the
14 net revenues of the same port authority, at lower, the
15 same, or higher rates of interest. A port authority
16 may sell refunding revenue bonds at public or private
17 sale and apply the proceeds to the payment of the
18 obligations being refunded, and may exchange refunding
19 revenue bonds in payment and discharge of the
20 obligations being refunded. The principal amount of
21 refunding revenue bonds may exceed the principal
22 amount of the obligations being refunded to the extent
23 necessary to pay any premium due on the call of the
24 obligations being refunded and to fund interest
25 accrued and to accrue on the obligations being
26 refunded.
27 6. The final maturity of any original issue of
28 port authority revenue bonds shall not exceed forty
29 years from the date of issue, and the final maturity
30 of port authority revenue bonds that refund
31 outstanding port authority revenue bonds shall not be
32 later than the later of forty years from the date of
33 issue of the original issue of bonds or the date by
34 which it is expected, at the time of issuance of the
35 refunding bonds, that the useful life of all of the
36 property refinanced with the proceeds of the bonds,
37 other than interests in land, will have expired. Such
38 bonds or notes shall be executed in a manner as the
39 resolution may provide.
40 7. The port authority may contract to pay an
41 amount not to exceed ninety-five percent of the
42 engineer's estimated value of the acceptable work
43 completed during the month to the contractor at the
44 end of each month for work, material, or services.
45 Payment may be made in warrants drawn on any fund from
46 which payment for the work may be made. If such funds
47 are depleted, anticipatory warrants may be issued
48 bearing a rate of interest not exceeding that
49 permitted by chapter 74A even if income from the sale
50 of bonds which have been authorized and are applicable

1 to the public improvement takes place after the fiscal
2 year in which the warrants are issued. If the port
3 authority arranges for the private sale of
4 anticipatory warrants, the warrants may be sold and
5 the proceeds used to pay the contractor. The warrants
6 may also be used to pay other persons furnishing
7 services constituting a part of the cost of the public
8 improvement.
9 8. Port authority revenue bonds, pledge orders,
10 and warrants issued under this section are negotiable
11 instruments.
12 9. The board may issue pledge orders pursuant to a
13 resolution adopted by a majority of the total number
14 of supervisors, at a regular or special meeting,
15 ordering their issuance and delivery in payment for
16 all or part of the cost of a project. Pledge orders
17 may bear interest at rates not exceeding those
18 permitted by chapter 74A.
19 10. Except as provided in section 28J.20, the
20 physical properties of the port authority shall not be
21 pledged or mortgaged to secure the payment of revenue
22 bonds, pledge orders, or refunding bonds, or the
23 interest thereon.
24 11. The members of the board of the port authority
25 and any person executing the bonds or pledge orders
26 shall not be personally liable on the bonds or pledge
27 orders or be subject to any personal liability or
28 accountability by reason of the issuance thereof.
29 Sec. ___. NEW SECTION. 28J.22 BONDS MAY BE
30 SECURED BY TRUST AGREEMENT.
31 1. In the discretion of the port authority, a port
32 authority revenue bond issued under this chapter may
33 be secured by a trust agreement between the port
34 authority and a corporate trustee that may be any
35 trust company or bank having the powers of a trust
36 company within this or any other state.
37 2. The trust agreement may pledge or assign
38 revenues of the port authority to be received for
39 payment of the revenue bonds. The trust agreement or
40 any resolution providing for the issuance of revenue
41 bonds may contain provisions for protecting and
42 enforcing the rights and remedies of the bondholders
43 as are reasonable and proper and not in violation of
44 law, including covenants setting forth the duties of
45 the port authority in relation to the acquisition of
46 property, the construction, improvement, maintenance,
47 repair, operation, and insurance of the port authority
48 facility in connection with which the bonds are
49 authorized, the rentals or other charges to be imposed
50 for the use or services of any port authority

1 facility, the custody, safeguarding, and application
2 of all moneys, and provisions for the employment of
3 consulting engineers in connection with the
4 construction or operation of any port authority
5 facility.
6 3. A bank or trust company incorporated under the
7 laws of this state, that may act as the depository of
8 the proceeds of bonds or of revenues, shall furnish
9 any indemnifying bonds or may pledge any securities
10 that are required by the port authority. The trust
11 agreement may set forth the rights and remedies of the
12 bondholders and of the trustee, and may restrict the
13 individual right of action by bondholders as is
14 customary in trust agreements or trust indentures
15 securing similar bonds. The trust agreement may
16 contain any other provisions that the port authority
17 determines reasonable and proper for the security of
18 the bondholders. All expenses incurred in carrying
19 out the provisions of the trust agreement may be
20 treated as a part of the cost of the operation of the
21 port authority facility.
22 Sec. ___. NEW SECTION. 28J.23 REMEDY OF HOLDER
23 OF BOND OR COUPON -- STATUTE OF LIMITATIONS.
24 1. The sole remedy for a breach or default of a
25 term of a port authority revenue bond or pledge order
26 is a proceeding in law or in equity by suit, action,
27 or mandamus to enforce and compel performance of the
28 duties required by this chapter and of the terms of
29 the resolution authorizing the issuance of the revenue
30 bonds or pledge orders, or to obtain the appointment
31 of a receiver to take possession of and operate the
32 port authority, and to perform the duties required by
33 this chapter and the terms of the resolution
34 authorizing the issuance of the port authority revenue
35 bonds or pledge orders.
36 2. An action shall not be brought which questions
37 the legality of port authority revenue bonds or pledge
38 orders, the power of a port authority to issue revenue
39 bonds or pledge orders, or the effectiveness of any
40 proceedings relating to the authorization and issuance
41 of revenue bonds or pledge orders, from and after
42 fifteen days from the time the bonds or pledge orders
43 are ordered issued by the port authority.
44 Sec. ___. NEW SECTION. 28J.24 BONDS ARE PAYABLE
45 SOLELY FROM REVENUES AND FUNDS PLEDGED FOR PAYMENT.
46 Port authority revenue bonds and pledge orders
47 issued under this chapter do not constitute a debt, or
48 a pledge of the faith and credit, of the state or a
49 political subdivision of the state, and the holders or
50 owners of the bonds or pledge orders shall not have

1 taxes levied by the state or by a taxing authority of
2 a governmental agency of the state for the payment of
3 the principal of or interest on the bonds or pledge
4 orders, but the bonds and pledge orders are payable
5 solely from the revenues and funds pledged for their
6 payment as authorized by this chapter, unless the
7 notes are issued in anticipation of the issuance of
8 bonds or pledge orders or the bonds and pledge orders
9 are refunded by refunding bonds issued under this
10 chapter, which bonds, pledge orders, or refunding
11 bonds shall be payable solely from revenues and funds
12 pledged for their payment as authorized by those
13 sections. All of the bonds or pledge orders shall
14 contain a statement to the effect that the bonds or
15 pledge orders, as to both principal and interest, are
16 not debts of the state or a political subdivision of
17 the state, but are payable solely from revenues and
18 funds pledged for their payment.
19 Sec. ___. NEW SECTION. 28J.25 FUNDS AND PROPERTY
20 HELD IN TRUST -- USE AND DEPOSIT OF FUNDS.
21 All revenues, funds, properties, and assets
22 acquired by the port authority under this chapter,
23 whether as proceeds from the sale of port authority
24 revenue bonds, pledge orders, or as revenues, shall be
25 held in trust for the purposes of carrying out the
26 port authority's powers and duties, shall be used and
27 reused as provided in this chapter, and shall at no
28 time be part of other public funds. Such funds,
29 except as otherwise provided in a resolution
30 authorizing port authority revenue bonds or in a trust
31 agreement securing the same, or except when invested
32 pursuant to section 28J.26, shall be kept in
33 depositories selected by the port authority in the
34 manner provided in chapter 12C, and the deposits shall
35 be secured as provided in that chapter. The
36 resolution authorizing the issuance of revenue bonds
37 or pledge orders, or the trust agreement securing such
38 bonds or pledge orders shall provide that any officer
39 to whom, or any bank or trust company to which, such
40 moneys are paid shall act as trustee of such moneys
41 and hold and apply them for the purposes hereof,
42 subject to such conditions as this chapter and such
43 resolution or trust agreement provide.
44 Sec. ___. NEW SECTION. 28J.26 INVESTMENT OF
45 EXCESS FUNDS.
46 1. If a port authority has surplus funds after
47 making all deposits into all funds required by the
48 terms, covenants, conditions, and provisions of
49 outstanding revenue bonds, pledge orders, and
50 refunding bonds which are payable from the revenues of

1 the port authority and after complying with all of the
2 requirements, terms, covenants, conditions, and
3 provisions of the proceedings and resolutions pursuant
4 to which revenue bonds, pledge orders, and refunding
5 bonds are issued, the board may transfer the surplus
6 funds to any other fund of the port authority in
7 accordance with this chapter and chapter 12C, provided
8 that a transfer shall not be made if it conflicts with
9 any of the requirements, terms, covenants, conditions,
10 or provisions of a resolution authorizing the issuance
11 of revenue bonds, pledge orders, or other obligations
12 which are payable from the revenues of the port
13 authority which are then outstanding.
14 2. This section does not prohibit or prevent the
15 board from using funds derived from any other source
16 which may be properly used for such purpose, to pay a
17 part of the cost of a facility.
18 Sec. ___. NEW SECTION. 28J.27 CHANGE IN LOCATION
19 OF PUBLIC WAY, RAILROAD, OR UTILITY FACILITY --
20 VACATION OF HIGHWAY.
21 1. When a port authority changes the location of
22 any portion of any public road, railroad, or utility
23 facility in connection with the construction of a port
24 authority facility, the port authority shall
25 reconstruct at such location as the governmental
26 agency having jurisdiction over such road, railroad,
27 or utility facility finds most favorable. The
28 construction of such road, railroad, or utility
29 facility shall be of substantially the same type and
30 in as good condition as the original road, railroad,
31 or utility facility. The cost of such reconstruction,
32 relocation, or removal and any damage incurred in
33 changing the location of any such road, railroad, or
34 utility facility shall be paid by the port authority
35 as a part of the cost of the port authority facility.
36 2. When the port authority finds it necessary that
37 a public highway or portion of a public highway be
38 vacated by reason of the acquisition or construction
39 of a port authority facility, the port authority may
40 request the director of the department of
41 transportation to vacate such highway or portion in
42 accordance with chapter 306 if the highway or portion
43 to be vacated is on the state highway system, or, if
44 the highway or portion to be vacated is under the
45 jurisdiction of a county, the port authority shall
46 petition the board of supervisors of that county, in
47 the manner provided in chapter 306, to vacate such
48 highway or portion. The port authority shall pay to
49 the county, as a part of the cost of such port
50 authority facility, any amounts required to be

1 deposited with a court in connection with proceedings
2 for the determination of compensation and damages and
3 all amounts of compensation and damages finally
4 determined to be payable as a result of such vacation.
5 3. The port authority may adopt bylaws for the
6 installation, construction, maintenance, repair,
7 renewal, relocation, and removal of railroad or
8 utility facilities in, on, over, or under any port
9 authority facility. Whenever the port authority
10 determines that it is necessary that any such facility
11 installed or constructed in, on, over, or under
12 property of the port authority pursuant to such bylaws
13 be relocated, the utility company owning or operating
14 such facility shall relocate or remove them in
15 accordance with the order of the port authority. The
16 cost and expenses of such relocation or removal,
17 including the cost of installing such facility in a
18 new location, the cost of any lands, or any rights or
19 interests in lands, and any other rights, acquired to
20 accomplish such relocation or removal, shall be paid
21 by the port authority as a part of the cost of the
22 port authority facility. In case of any such
23 relocation or removal of such facilities, the railroad
24 or utility company owning or operating them, its
25 successors, or assigns may maintain and operate such
26 facilities, with the necessary appurtenances, in the
27 new location in, on, over, or under the property of
28 the port authority for as long a period and upon the
29 same terms as the railroad or utility company had the
30 right to maintain and operate such facilities in their
31 former location.
32 Sec. ___. NEW SECTION. 28J.28 FINAL ACTIONS TO
33 BE RECORDED -- ANNUAL REPORT -- CONFIDENTIALITY OF
34 INFORMATION.
35 1. All final actions of the port authority shall
36 be recorded and the records of the port authority
37 shall be open to public examination and copying
38 pursuant to chapter 22. Not later than the first day
39 of April every year, a port authority shall submit a
40 report to the director of the department of economic
41 development detailing the projects and activities of
42 the port authority during the previous calendar year.
43 The report shall include, but not be limited to, all
44 aspects of those projects and activities, including
45 the progress and status of the projects and their
46 costs, and any other information the director
47 determines should be included in the report.
48 2. Financial and proprietary information,
49 including trade secrets, submitted to a port authority
50 or the agents of a port authority, in connection with

1 the relocation, location, expansion, improvement, or
2 preservation of a business or nonprofit corporation is
3 not a public record subject to chapter 22. Any other
4 information submitted under those circumstances is not
5 a public record subject to chapter 22 until there is a
6 commitment in writing to proceed with the relocation,
7 location, expansion, improvement, or preservation.
8 3. Notwithstanding chapter 21, the board of
9 directors of a port authority, when considering
10 information that is not a public record under this
11 section, may close a meeting during the consideration
12 of that information pursuant to a vote of the majority
13 of the directors present on a motion stating that such
14 information is to be considered. Other matters shall
15 not be considered during the closed session.
16 Sec. ___. NEW SECTION. 28J.29 PROVISIONS TO BE
17 LIBERALLY CONSTRUED.
18 This chapter shall be liberally construed to effect
19 the chapter's purposes.
20 Sec. ___. Section 427.1, Code 2005, is amended by
21 adding the following new subsection:
22 NEW SUBSECTION. 34. PORT AUTHORITY PROPERTY. The
23 property of a port authority created pursuant to
24 section 28J.2, when devoted to public use and not held
25 for pecuniary profit."
26 2. By renumbering as necessary.

**By** THOMAS G. COURTNEY
EUGENE S. FRAISE

**S-3298** FILED MAY 6, 2005
WITHDRAWN

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 21, by inserting after line 8, the
4 following:
5 "Sec. ___. Section 441.37, subsection 1, Code
6 2005, is amended by adding the following new
7 unnumbered paragraph:
8 NEW UNNUMBERED PARAGRAPH. The property owner or
9 aggrieved taxpayer may combine on one form protests of
10 assessment on parcels separately assessed if the same
11 grounds are relied upon as the basis for protesting
12 each separate assessment. If an oral hearing is
13 requested on more than one of such protests, the
14 person making the combined protests may request that
15 the oral hearings be held consecutively.
16 Sec. ___. Section 441.37, subsection 3, Code 2005,
17 is amended to read as follows:
18 3. After the board of review has considered any
19 protest filed by a property owner or aggrieved
20 taxpayer and made final disposition of the protest,
21 the board shall give written notice to the property
22 owner or aggrieved taxpayer who filed the protest of
23 the action taken by the board of review on the
24 protest. The written notice to the property owner or
25 aggrieved taxpayer shall also specify the reasons for
26 the action taken by the board of review on the
27 protest. If protests of assessment on multiple
28 parcels separately assessed were combined, the written
29 notice shall state the action taken, and the reasons
30 for the action, for each assessment protested.
31 Sec. ___. NEW SECTION. 441.40A REIMBURSEMENT OF
32 APPELLANT COSTS.
33 1. Notwithstanding section 441.40, where the court
34 determines the appellant's property was assessed by
35 the assessor for more than one hundred ten percent of
36 its post-appeal value, the assessor shall pay all
37 reasonable attorney fees and any other reasonably
38 related costs incurred by the appellant. This
39 subsection applies only to appeals relating to
40 assessments on property assessed as residential or
41 agricultural property.
42 2. Notwithstanding section 441.40, where the court
43 determines the appellant's property was assessed by
44 the assessor for more than one hundred twenty percent
45 of its post-appeal value and the court finds that the
46 assessor's position in regard to assessment of the
47 property was not substantially justified, the assessor
48 shall pay all reasonable attorney fees and any other
49 reasonably related costs incurred by the appellant.
50 This subsection applies only to appeals relating to

1 assessments on property assessed as commercial or
2 industrial property."
3 2. Page 24, by inserting after line 21, the
4 following:
5 "Sec. ___. APPLICABILITY DATE. The sections of
6 this division of this Act amending section 441.37
7 apply to protests of assessment filed after January 1,
8 2006."
9 3. By renumbering as necessary.

**By** STEVEN H. WARNSTADT

**S-3299** FILED MAY 6, 2005
LOST

S-3300

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 26 the
4 following:
5 "DIVISION
6 HOUSING TRUST FUND
7 Sec. ___. Section 428A.8, Code 2005, is amended to
8 read as follows:
9 428A.8 REMITTANCE TO STATE TREASURER -- PORTION
10 RETAINED IN COUNTY.
11 1. On or before the tenth day of each month the
12 county recorder shall determine and pay to the
13 treasurer of state eighty-two and three-fourths
14 percent of the receipts from the real estate transfer
15 tax collected during the preceding month and the
16 treasurer of state shall deposit ~~ninety-five percent~~
17 ~~of the receipts in the general fund of the state~~ and
18 transfer ~~five percent of~~ the receipts ~~to the shelter~~
19 ~~assistance fund created in section 15.349~~ as provided
20 in subsection 2.
21 The county recorder shall deposit the remaining
22 seventeen and one-fourth percent of the receipts in
23 the county general fund.
24 Any tax or additional tax found to be due shall be
25 collected by the county recorder. If the county
26 recorder is unable to collect the tax, the director of
27 revenue shall collect the tax in the same manner as
28 taxes are collected in chapter 422, division III. If
29 collected by the director of revenue, the director
30 shall pay the county its proportionate share of the
31 tax. Section 422.25, subsections 1, 2, 3, and 4, and
32 sections 422.26, 422.28 through 422.30, and 422.73,
33 consistent with this chapter, apply with respect to
34 the collection of any tax or additional tax found to
35 be due, in the same manner and with the same effect as
36 if the deed, instrument, or writing were an income tax
37 return within the meaning of those statutes.
38 The county recorder shall keep records and make
39 reports with respect to the real estate transfer tax
40 as the director of revenue prescribes.
41 2. The treasurer of state shall deposit or
42 transfer the receipts paid the treasurer of state
43 pursuant to subsection 1 to either the general fund of
44 the state, the housing trust fund created in section
45 16.181, or the shelter assistance fund created in
46 section 15.349 as follows:
47 a. For the fiscal year beginning July 1, 2005,
48 ninety-five percent of the receipts shall be deposited
49 in the general fund and five percent of the receipts
50 shall be transferred to the shelter assistance fund.

b. For the fiscal year beginning July 1, 2006, ninety-five percent of the receipts, less one million dollars which shall be transferred to the housing trust fund, shall be deposited in the general fund and five percent of the receipts shall be transferred to the shelter assistance fund.

c. For the fiscal year beginning July 1, 2007, ninety-five percent of the receipts, less two million dollars which shall be transferred to the housing trust fund, shall be deposited in the general fund and five percent of the receipts shall be transferred to the shelter assistance fund.

d. For the fiscal year beginning July 1, 2008, seventy percent of the receipts shall be deposited in the general fund, twenty-five percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund.

e. For the fiscal year beginning July 1, 2009, sixty-five percent of the receipts shall be deposited in the general fund, thirty percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund.

f. For the fiscal year beginning July 1, 2010, sixty percent of the receipts shall be deposited in the general fund, thirty-five percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund.

g. For the fiscal year beginning July 1, 2011, fifty-five percent of the receipts shall be deposited in the general fund, forty percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund.

h. For the fiscal year beginning July 1, 2012, and each fiscal year thereafter, fifty percent of the receipts shall be deposited in the general fund, forty-five percent of the receipts shall be transferred to the housing trust fund, and five percent of the receipts shall be transferred to the shelter assistance fund."

2. By renumbering as necessary.

**By** ROGER STEWART

**S-3300** FILED MAY 6, 2005
WITHDRAWN

S-3301

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 26, the
4 following:
5 "DIVISION
6 FIRE PROTECTION SERVICES
7 Sec. ___. LEGISLATIVE FINDINGS. The general
8 assembly finds that fire protection services provided
9 by a city benefit all improved properties within such
10 city, including properties that are exempt from
11 taxation, by lowering the cost of property insurance
12 and by protecting the life and safety of the occupants
13 of such property.
14 The general assembly further finds that cities in
15 Iowa face increasing security demands and costs for
16 protection of property. Cities need an innovative
17 means to finance the increased costs of fire
18 protection services. Fire protection service
19 districts, as authorized by this Act, may enable
20 cities to better finance fire protection services.
21 Sec. ___. Section 384.1, Code 2005, is amended to
22 read as follows:
23 384.1 TAXES CERTIFIED.
24 A city may certify taxes to be levied by the county
25 on all taxable property within the city limits, for
26 all city government purposes. However, the tax levied
27 by a city on tracts of land and improvements thereon
28 used and assessed for agricultural or horticultural
29 purposes, shall not exceed three dollars and three-
30 eighths cents per thousand dollars of assessed value
31 in any year. Improvements located on such tracts of
32 land and not used for agricultural or horticultural
33 purposes and all residential dwellings are subject to
34 the same rate of tax levied by the city on all other
35 taxable property within the city. A city's tax levy
36 for the general fund shall not exceed eight dollars
37 and ten cents per thousand dollars of taxable value in
38 any tax year, except for the levies authorized in
39 section 384.12. <u>A city's tax levy for the general</u>
40 <u>fund shall not include a levy for fire protection</u>
41 <u>service expenditures in a fiscal year in which a fire</u>
42 <u>protection service district has been established</u>
43 <u>pursuant to section 384.84B and a fire protection</u>
44 <u>service charge is being imposed.</u>
45 Sec. ___. Section 384.24, subsection 2, Code 2005,
46 is amended by adding the following new paragraph:
47 <u>NEW PARAGRAPH</u>. m. Fire protection service
48 district.
49 Sec. ___. <u>NEW SECTION</u>. 384.84B FIRE PROTECTION
50 SERVICE DISTRICT.

1 1. a. The governing body of a city may by
2 ordinance declare that all of the improved properties
3 within the city comprise a fire protection service
4 district to establish, impose, adjust, and provide for
5 the collection of a fire protection service charge for
6 fire protection service. The ordinance may prescribe
7 a formula to compute the service charge, which may
8 include criteria and standards that allocate the
9 aggregate amount of the fire protection service
10 expenditures budgeted for the fiscal year to all of
11 the improved properties within the city, including
12 properties which are totally or partially exempt from
13 taxation under chapter 404, section 427.1, to the
14 extent permitted by law, or section 427B.1. The
15 service charge shall become effective for the fiscal
16 year beginning July 1 following the final adoption of
17 the ordinance.
18 b. Real property subject to a fire protection
19 service charge, which property is exempt from property
20 taxation, shall be valued and assessed as required in
21 section 427.1, subsection 18, and in accordance with
22 chapter 441, and the owner or other persons as
23 authorized by chapter 441 are entitled to protest any
24 assessment and take appeals in the same manner as any
25 taxpayer.
26 2. All amounts collected from the fire protection
27 service charge imposed under this section shall be
28 expended exclusively for the budgeted fire protection
29 service expenditures authorized by the governing body.
30 A city shall not expend tax receipts from the city's
31 tax levy for the general fund on fire protection
32 service during any fiscal year in which the fire
33 service charge is imposed.
34 3. Each city imposing a fire protection service
35 charge shall provide a copy of the adopted ordinance
36 to the city finance committee and thereafter provide
37 other information regarding the fire protection
38 service charge as the committee may request to enable
39 the committee to evaluate the effectiveness of the
40 financing method authorized in this section.
41 4. Fire protection service charges imposed
42 pursuant to this section, if not paid as provided by
43 ordinance of the council, are a lien upon the property
44 or premises served by the fire protection services
45 upon certification to the county treasurer that
46 charges are due.
47 Sec. ___. APPLICABILITY. This division of this
48 Act applies to a city adopting an ordinance to
49 establish a fire protection service district on or
50 after July 1, 2006."

1 2. Title page, line 2, by inserting after the
2 word "fees," the following: "authorizing a fire
3 protection service charge on real property,".
4 3. Title page, line 3, by striking the word
5 "retroactive".
6 4. By renumbering as necessary.

**By** MATT McCOY

**S-3301** FILED MAY 6, 2005
LOST

**HOUSE FILE 882**

**S-3304**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 23 the
4 following:
5 "Sec. ___. Section 805.8C, subsection 6, as
6 amended by 2005 Iowa Acts, Senate File 169, section 9,
7 is amended to read as follows:
8 6. PSEUDOEPHEDRINE SALES VIOLATIONS. For
9 violations of section 126.23A, subsection 1, by an
10 employee of a retailer, or for violations of section
11 126.23A, subsection 2, paragraph "a", by a purchaser,
12 the scheduled fine is as follows:
13 a. If the violation is a first offense, the
14 scheduled fine is one hundred dollars.
15 b. If the violation is a second offense, the
16 scheduled fine is two hundred fifty dollars.
17 c. If the violation is a third or subsequent
18 offense, the scheduled fine is five hundred dollars."
19 2. By renumbering as necessary.

**By** BOB BRUNKHORST
KEITH A. KREIMAN

**S-3304** FILED MAY 6, 2005
ADOPTED

**HOUSE FILE 882**

**S-3305**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 19, by inserting after line 28 the
4 following:
5 "Sec. ___. Section 423.6, subsection 10, Code
6 2005, is amended by adding the following new
7 unnumbered paragraph:
8 NEW UNNUMBERED PARAGRAPH. This exemption also
9 applies to vehicles subject to registration that are
10 transferred from an S corporation to another S
11 corporation where both S corporations are engaged in
12 the business of transportation or relocation of
13 residential and commercial tangible personal property
14 and the ownership of the S corporations engaged in the
15 transfer of the vehicles subject to registration are
16 identical."
17 2. Page 24, by inserting before line 1 the
18 following:
19 "Sec. ___. REFUNDS. Refunds of taxes, interest,
20 or penalties which arise from claims resulting from
21 the amendment to section 423.6, subsection 10, in this
22 division of this Act, for the transfer of vehicles
23 subject to registration occurring between January 1,
24 2001, and the effective date of the section amending
25 section 423.6, subsection 10, in this division of this
26 Act, shall be limited to twenty-five thousand dollars
27 in the aggregate and shall not be allowed unless
28 refund claims are filed prior to October 1, 2005,
29 notwithstanding any other provision of law. If the
30 amount of claims totals more than twenty-five thousand
31 dollars in the aggregate, the department of revenue
32 shall prorate the twenty-five thousand dollars among
33 all claimants in relation to the amounts of the
34 claimants' valid claims.
35 Sec. ___. RETROACTIVE APPLICABILITY. The section
36 of this division of this Act amending section 423.6,
37 subsection 10, being deemed of immediate importance,
38 takes effect upon enactment, and applies retroactively
39 to January 1, 2001."
40 3. Title page, line 1, by inserting after the
41 word "Act" the following: "relating to state finances
42 by providing for certain tax exemptions and".

**By** DAVE MULDER

**S-3305** FILED MAY 6, 2005
WITHDRAWN

S-3306

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 4, by inserting after line 22, the
4 following:
5 "Sec. ___. Section 8.8, Code 2005, is amended to
6 read as follows:
7 8.8 SPECIAL OLYMPICS FUND -- APPROPRIATION.
8 A special olympics fund is created in the office of
9 the treasurer of state under the control of the
10 department of management. There is appropriated
11 annually from the general fund of the state to the
12 special olympics fund ~~thirty~~ fifty thousand dollars
13 for distribution to one or more organizations which
14 administer special olympics programs benefiting the
15 citizens of Iowa with disabilities."
16 2. Page 5, line 20, by striking the figure
17 "100,000" and inserting the following: "160,000".
18 3. Page 5, by striking lines 21 through 29.
19 4. Page 5, lines 31 and 32, by striking the words
20 "state department of transportation" and inserting the
21 following: "homeland security and emergency
22 management division of the department of public
23 safety".
24 5. Page 6, by striking lines 2 through 19.
25 6. Page 6, by inserting before line 20, the
26 following:
27 "Sec. ___. TRANSITIONAL HOUSING REVOLVING LOAN
28 PROGRAM FUND -- TRANSFER. Of the amount appropriated
29 from the general fund of the state to the department
30 of human services for the fiscal year beginning July
31 1, 2005, and ending June 30, 2006, for purposes of
32 child and family services in 2005 Iowa Acts, House
33 File 825, if enacted, $1,400,000 is transferred to the
34 transitional housing revolving loan program fund
35 created in section 16.184, if enacted by 2005 Iowa
36 Acts, House File 825, to be used for purposes of that
37 fund. The transfer shall be completed on or before
38 August 1, 2005.
39 Sec. ___. HEALTHY IOWANS TOBACCO TRUST -- AIDS
40 DRUG ASSISTANCE PROGRAM. There is appropriated from
41 the healthy Iowans tobacco trust created in section
42 12.65 to the department of human services for the
43 fiscal year beginning July 1, 2005, and ending June
44 30, 2006, the following amount, or so much thereof as
45 is necessary, to be used for the purpose designated:
46 For additional funding to leverage federal funding
47 through the federal Ryan White Care Act, Title II,
48 AIDS drug assistance program supplemental drug
49 treatment grants:
50 ..... $ 275,000

1 Sec. ___. GREAT PLACES. There is appropriated
2 from the general fund of the state to the department
3 of cultural affairs for the fiscal year beginning July
4 1, 2004, and ending June 30, 2005, the following
5 amount, or so much thereof as is necessary, to be used
6 for the purposes designated:
7 GREAT PLACES. For salaries, support, maintenance,
8 and miscellaneous purposes:
9 ..... $ 100,000
10 Notwithstanding section 8.33, any moneys
11 appropriated in this section that remain unencumbered
12 or unobligated at the close of the fiscal year shall
13 not revert but shall remain available for expenditure
14 for the purposes designated until the close of the
15 succeeding fiscal year.
16 Sec. ___. IOWA LEARNING TECHNOLOGY. There is
17 appropriated from the general fund of the state to the
18 department of education for the fiscal year beginning
19 July 1, 2005, and ending June 30, 2006, the following
20 amount, or so much thereof as is necessary, to be used
21 for the purpose designated:
22 For implementation of the provisions of Code
23 chapter 280A, as amended by 2005 Iowa Acts, House File
24 739, if enacted:
25 ..... $ 500,000
26 Sec. ___. UNDERGROUND STORAGE TANK FUND -- GENERAL
27 FUND. Notwithstanding section 455G.3, subsection 1,
28 there is transferred from the Iowa comprehensive
29 petroleum underground storage tank fund created in
30 section 455G.3, subsection 1, to the general fund of
31 the state during the fiscal year beginning July 1,
32 2005, and ending June 30, 2006, the following amount:
33 ..... $ 500,000
34 Sec. ___. UNDERGROUND STORAGE TANK FUND --
35 WATERSHED IMPROVEMENT FUND -- FY 2005-2006.
36 Notwithstanding section 455G.3, subsection 1, there is
37 appropriated from the Iowa comprehensive petroleum
38 underground storage tank fund created in section
39 455G.3, subsection 1, to the Iowa finance authority
40 during the fiscal year beginning July 1, 2005, and
41 ending June 30, 2006, the following amount, or so much
42 thereof as is necessary, to be used for the purpose
43 designated:
44 For deposit in the watershed improvement fund
45 created in 2005 Iowa Acts, Senate File 200, if
46 enacted:
47 ..... $ 4,500,000
48 The moneys deposited in the watershed improvement
49 fund pursuant to this section are appropriated to the
50 Iowa finance authority for the fiscal year beginning

1 July 1, 2005, and ending June 30, 2006, to be used as
2 provided in section 16.185, if enacted by 2005 Iowa
3 Acts, Senate File 200. The appropriations made in this
4 section are contingent upon the enactment of 2005 Iowa
5 Acts, Senate File 200, and the creation of the
6 watershed improvement fund in accordance with section
7 16.185, if enacted by 2005 Iowa Acts, Senate File 200.
8 Sec. ___. UNDERGROUND STORAGE TANK FUND --
9 WATERSHED IMPROVEMENT FUND -- FY 2006-2007.
10 Notwithstanding section 455G.3, subsection 1, there is
11 appropriated from the Iowa comprehensive petroleum
12 underground storage tank fund created in section
13 455G.3, subsection 1, to the Iowa finance authority
14 during the fiscal year beginning July 1, 2006, and
15 ending June 30, 2007, the following amount, or so much
16 thereof as is necessary, to be used for the purpose
17 designated:
18 For deposit in the watershed improvement fund
19 created in 2005 Iowa Acts, Senate File 200, if
20 enacted:
21 ..... $ 5,000,000
22 The moneys deposited in the watershed improvement
23 fund pursuant to this section are appropriated to the
24 Iowa finance authority for the fiscal year beginning
25 July 1, 2006, and ending June 30, 2007, to be used as
26 provided in section 16.185, if enacted by 2005 Iowa
27 Acts, Senate File 200. The appropriations made in
28 this section are contingent upon the enactment of 2005
29 Iowa Acts, Senate File 200, and the creation of the
30 watershed improvement fund in accordance with section
31 16.185, if enacted by 2005 Iowa Acts, Senate File 200.
32 Sec. ___. GROW IOWA VALUES FUND -- FY 2004-2005.
33 There is appropriated from the general fund of the
34 state to the department of economic development for
35 the fiscal year beginning July 1, 2004, and ending
36 June 30, 2005, the following amount, or so much
37 thereof as is necessary, to be used for the purpose
38 designated:
39 To be credited to the grow Iowa values fund created
40 in section 15G.108, if enacted by 2005 Iowa Acts,
41 House File 868:
42 ..... $ 25,000,000
43 Notwithstanding section 8.33, moneys appropriated
44 in this section that remain unencumbered or
45 unobligated at the close of the fiscal year shall not
46 revert but shall remain available for expenditure for
47 the purpose designated until the close of the
48 succeeding fiscal year. The appropriation made in
49 this section shall be distributed and credited to the
50 grow Iowa values fund on July 1, 2005.

1 Sec. ___. GROW IOWA VALUES FUND -- FY 2005-2006.
2 There is appropriated from the general fund of the
3 state for the fiscal year beginning July 1, 2005, and
4 ending June 30, 2006, to the department of economic
5 development in lieu of the appropriation made from the
6 general fund of the state in section 15G.110, if
7 enacted by 2005 Iowa Acts, House File 809, for the
8 fiscal year beginning July 1, 2005, and ending June
9 30, 2006, to be used for the purpose designated:
10 For deposit in the grow Iowa values fund created in
11 section 15G.108, if enacted by 2005 Iowa Acts, House
12 File 868:
13 ..... $ 25,000,000"
14 7. Page 6, by striking lines 20 through 30.
15 8. Page 7, by striking lines 1 through 20.
16 9. By striking page 7, line 21, through page 9,
17 line 32.
18 10. By striking page 9, line 33, through page 11,
19 line 16.
20 11. Page 11, by inserting before line 17, the
21 following:
22 "Sec. ___. NATIONAL GOVERNORS ASSOCIATION MEETING.
23 2004 Iowa Acts, chapter 1175, section 12, subsection
24 4, AS AMENDED BY 2005 Iowa Acts, House File 810, if
25 enacted, is amended to read as follows:
26 4. NATIONAL GOVERNORS ASSOCIATION
27 For payment of Iowa's membership in the national
28 governors association:
29 ..... $ ~~364,393~~
30 264,393
31 Of the funds appropriated in this subsection,
32 ~~$300,000~~ $200,000 is allocated for security-related
33 costs and other expenses associated with the national
34 governors association national meeting.
35 Notwithstanding section 8.33, the moneys allocated for
36 the meeting that remain unencumbered or unobligated at
37 the close of the fiscal year shall not revert but
38 shall remain available for expenditure for the
39 purposes designated until the close of the succeeding
40 fiscal year.
41 Sec. ___. 2005 Iowa Acts, House File 881, section
42 5, unnumbered paragraphs 1 and 2, if enacted, are
43 amended to read as follows:
44 There is appropriated from the general fund of the
45 state to the salary adjustment fund for distribution
46 by the department of management to the various state
47 departments, boards, commissions, councils, and
48 agencies, excluding the state board of regents, for
49 the fiscal year beginning July 1, 2005, and ending
50 June 30, 2006, the amount of ~~$38,500,000~~ 43,300,000,

1 or so much thereof as may be necessary, to fully fund
2 annual pay adjustments, expense reimbursements, and
3 related benefits implemented pursuant to the
4 following:
5 Of the amount appropriated in this section,
6 $~~4,880,000~~ 5,488,000 shall be allocated to the
7 judicial branch for the purpose of funding annual pay
8 adjustments, expense reimbursements, and related
9 benefits implemented for judicial branch employees."
10 12. By striking page 12, line 18, through page
11 13, line 4.
12 13. Page 13, by inserting after line 21, the
13 following:
14 "Sec. ___. MEDICAL ASSISTANCE APPROPRIATION. If
15 2005 Iowa Acts, House File 825, is enacted and
16 provides for an appropriation from the general fund of
17 the state to the department of human services for the
18 fiscal year beginning July 1, 2005, and ending June
19 30, 2006, for the medical assistance program, there is
20 appropriated from the general fund of the state, in
21 lieu of such appropriation in 2005 Iowa Acts, House
22 File 825, the following amount, or so much thereof as
23 is necessary:
24 For purposes of the medical assistance program in
25 accordance with the provisions of 2005 Iowa Acts,
26 House File 825, as enacted:
27 ..... $509,416,519
28 Sec. ___. SENIOR LIVING TRUST FUND APPROPRIATION.
29 If 2005 Iowa Acts, House File 825, is enacted and
30 provides for an appropriation from the senior living
31 trust fund to the department of human services for the
32 fiscal year beginning July 1, 2005, and ending June
33 30, 2006, to supplement the medical assistance
34 appropriation, there is appropriated from the senior
35 living trust fund, in lieu of such appropriation in
36 2005 Iowa Acts, House File 825, the following amount,
37 or so much thereof as is necessary:
38 For purposes of supplementation of the medical
39 assistance appropriation in accordance with the
40 provisions of 2005 Iowa Acts, House File 825, as
41 enacted:
42 ..... $ 75,253,926
43 Sec. ___. JUVENILE HOME AT TOLEDO. If 2005 Iowa
44 Acts, House File 875, is enacted and provides for an
45 appropriation from the rebuild Iowa infrastructure
46 fund to the department of administrative services for
47 the fiscal year beginning July 1, 2005, and ending
48 June 30, 2006, for powerhouse facilities at the
49 juvenile home at Toledo, there is appropriated from
50 the rebuild Iowa infrastructure fund in lieu of such

1 appropriation in 2005 Iowa Acts, House File 875, the
2 following amount, or so much thereof as is necessary:
3 For the costs associated with the replacement of
4 the powerhouse facilities at the juvenile home at
5 Toledo:
6 ..... $ 861,045
7 Sec. ___. ENRICH IOWA LIBRARIES PROGRAM. If 2005
8 Iowa Acts, House File 875, is enacted and provides for
9 an appropriation from the rebuild Iowa infrastructure
10 fund to the department of education for the fiscal
11 year beginning July 1, 2005, and ending June 30, 2006,
12 for resources for local libraries and the enrich Iowa
13 program, there is appropriated from the rebuild Iowa
14 infrastructure fund in lieu of such appropriation in
15 2005 Iowa Acts, House File 875, the following amount,
16 or so much thereof as is necessary:
17 To provide resources for structural and
18 technological improvements to local libraries and for
19 the enrich Iowa program, notwithstanding section 8.57,
20 subsection 6, paragraph "c":
21 ..... $ 900,000
22 Sec. ___. NATIONAL PROGRAM FOR PLAYGROUND SAFETY.
23 If 2005 Iowa Acts, House File 875, is enacted and
24 provides for an appropriation from the rebuild Iowa
25 infrastructure fund to the university of northern Iowa
26 for the fiscal year beginning July 1, 2005, and ending
27 June 30, 2006, for the national program for playground
28 safety, there is appropriated from the rebuild Iowa
29 infrastructure fund in lieu of such appropriation in
30 2005 Iowa Acts, House File 875, the following amount,
31 or so much thereof as is necessary:
32 For the Iowa safe surfacing initiative,
33 notwithstanding section 8.57, subsection 6, paragraph
34 "c":
35 ..... $ 500,000
36 Sec. ___. JUVENILE HOME AT TOLEDO. If 2005 Iowa
37 Acts, House File 875, is enacted and provides for an
38 appropriation from the rebuild Iowa infrastructure
39 fund to the department of administrative services for
40 the fiscal year beginning July 1, 2006, and ending
41 June 30, 2007, for powerhouse facilities at the
42 juvenile home at Toledo, there is appropriated from
43 the rebuild Iowa infrastructure fund in lieu of such
44 appropriation in 2005 Iowa Acts, House File 875, the
45 following amount, or so much thereof as is necessary:
46 For the costs associated with the replacement of
47 the powerhouse facilities at the juvenile home at
48 Toledo:
49 ..... $ 1,821,045"
50 14. Page 13, line 23, by striking the figure "1".

1 15. Page 13, by striking lines 27 through 33.
2 16. Page 13, by inserting before line 34, the
3 following:
4 "__. The section of this division of this Act
5 providing an appropriation from the general fund of
6 the state to the department of economic development
7 for the fiscal year beginning July 1, 2004, for
8 deposit in the grow Iowa values fund, is contingent
9 upon enactment of the provisions of 2005 Iowa Acts,
10 House File 809, enacting section 15G.110, and 2005
11 Iowa Acts, House File 868, enacting section 15G.108,
12 and being deemed of immediate importance, takes effect
13 upon enactment.
14 ___. The sections of this division of this Act
15 appropriating moneys to the department of cultural
16 affairs for great places and amending 2004 Iowa Acts,
17 chapter 1175, section 12, subsection 4, being deemed
18 of immediate importance, take effect upon enactment."
19 17. By striking page 14, line 1, through page 15,
20 line 17.
21 18. Page 18, by inserting after line 11, the
22 following:
23 "Sec. ___. NEW SECTION. 16.191 NEW GROWTH
24 PROGRAM.
25 1. The authority shall establish and administer a
26 new growth program for purposes of providing financial
27 assistance to encourage entrepreneurial activity in
28 rural and urban areas in the state.
29 2. The authority shall identify twenty communities
30 in the state to serve as new growth program
31 communities. A community may consist of a city or
32 county, or a portion of a city or county. Not more
33 than five of the new growth program communities shall
34 be located in cities with a population of fifty
35 thousand or greater.
36 3. The authority shall identify a facilitator.
37 The facilitator shall be a statewide, faith-based
38 organization for purposes of facilitating the
39 activities in each new growth program community. The
40 activities shall be structured around fifteen meetings
41 designed to bring local entrepreneurs and business
42 development entities together to exchange information
43 on product and service research, business planning,
44 finance and credit, licensing and regulations, use of
45 technology, business practices, product development
46 and testing, and marketing.
47 4. The authority may provide financial assistance
48 to the facilitator for each new growth program
49 community. The authority shall not provide more than
50 ten thousand dollars in financial assistance to the

1 facilitator for each new growth program community. In
2 order to receive the maximum amount of financial
3 assistance, the facilitator must secure ten thousand
4 dollars in local financial assistance and ten thousand
5 dollars worth of in-kind contributions."
6 19. Page 18, by inserting after line 30, the
7 following:
8 "Sec. ___. Section 331.439, Code 2005, is amended
9 by adding the following new subsection:
10 NEW SUBSECTION. 9. The county management plan
11 shall designate at least one hospital licensed under
12 chapter 135B that the county has contracted with to
13 provide services covered under the plan. If the
14 designated hospital does not have a bed available to
15 provide the services, the county is responsible for
16 the cost of covered services provided at an alternate
17 hospital licensed under chapter 135B.
18 Sec. ___. Section 364.17, subsection 3, paragraph
19 a, Code 2005, is amended to read as follows:
20 a. A schedule of civil penalties or criminal fines
21 for violations. A city may charge the owner of
22 housing a late payment fee of twenty-five dollars and
23 may add interest of up to one and one-half percent per
24 month if a penalty or fine imposed under this
25 paragraph is not paid within thirty days of the date
26 that the penalty or fine is due. The city shall send
27 a notice of the late payment fee to such owner by
28 first class mail to the owner's personal or business
29 mailing address. The late payment fee and the
30 interest shall not accrue if such owner files an
31 appeal with either the city, if the city has
32 established an appeals procedure, or the district
33 court. Any unpaid penalty, fine, fee, or interest
34 shall constitute a lien on the real property and may
35 be collected in the same manner as a property tax.
36 However, before a lien is filed, the city shall send a
37 notice of intent to file a lien to the owner of the
38 housing by first class mail to such owner's personal
39 or business mailing address.
40 Sec. ___. Section 364.17, subsection 5, Code 2005,
41 is amended to read as follows:
42 5. Cities may establish reasonable fees for
43 inspection and enforcement procedures. A city may
44 charge the owner of housing a late payment penalty of
45 twenty-five dollars and may add interest of up to one
46 and one-half percent per month if a fee imposed under
47 this subsection is not paid within thirty days of the
48 date that the fee is due. The city shall send a
49 notice of the late payment penalty to such owner by
50 first class mail to the owner's personal or business

1 mailing address. The late payment penalty and the
2 interest shall not accrue if such owner files an
3 appeal with either the city, if the city has
4 established an appeals procedure, or the district
5 court. Any unpaid fee, penalty, or interest shall
6 constitute a lien on the real property and may be
7 collected in the same manner as a property tax.
8 However, before a lien is filed, the city shall send a
9 notice of intent to file a lien to the owner of the
10 housing by first class mail to such owner's personal
11 or business mailing address.
12 Sec. ___. Section 384.16, subsection 1, unnumbered
13 paragraph 2, Code 2005, is amended to read as follows:
14 A budget must show comparisons between the
15 estimated expenditures in each program in the
16 following year ~~and the actual expenditures in each~~
17 ~~program during the two preceding years~~, the latest
18 estimated expenditures in each program in the current
19 year, and the actual expenditures in each program from
20 the annual report as provided in section 384.22, or as
21 corrected by a subsequent audit report. Wherever
22 practicable, as provided in rules of the committee, a
23 budget must show comparisons between the levels of
24 service provided by each program as estimated for the
25 following year, and actual levels of service provided
26 by each program during the two preceding years.
27 Sec. ___. Section 384.16, Code 2005, is amended by
28 adding the following new subsection:
29 NEW SUBSECTION. 7. A city that does not submit a
30 budget in compliance with this section shall have all
31 state funds withheld until a budget that is in
32 compliance with this section is filed with the county
33 auditor and subsequently received by the department of
34 management. The department of management shall send
35 notice to state agencies responsible for disbursement
36 of state funds and that notice is sufficient
37 authorization for those funds to be withheld until
38 later notice is given by the department of management
39 to release those funds."
40 20. Page 20, by inserting after line 34, the
41 following:
42 "Sec. ___. Section 427.1, subsection 21, Code
43 2005, is amended to read as follows:
44 21. LOW-RENT HOUSING. The property owned and
45 operated or controlled by a nonprofit organization, as
46 recognized by the internal revenue service, providing
47 low-rent housing for persons who are elderly and
48 persons with physical and mental disabilities. The
49 exemption granted under the provisions of this
50 subsection shall apply only until the ~~terms~~ final

payment due date of the borrower's original low-rent housing development mortgage or until the borrower's original low-rent housing development mortgage is paid in full or expires, whichever is sooner, subject to the provisions of subsection 14. However, if the borrower's original low-rent housing development mortgage is refinanced, the exemption shall apply only until the date that would have been the final payment due date under the terms of the borrower's original low-rent housing development mortgage or until the refinanced mortgage is paid in full or expires, whichever is sooner, subject to the provisions of subsection 14."

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

Sec. ___. Section 427.1, subsection 30, Code 2005, is amended to read as follows:

30. MANUFACTURED HOME COMMUNITY OR MOBILE HOME PARK STORM SHELTER. A structure constructed as a storm shelter at a manufactured home community or mobile home park as defined in section 435.1. An application for this exemption shall be filed with the assessing authority not later than February 1 of the first year for which the exemption is requested, on forms provided by the department of revenue. The application shall describe and locate the storm shelter to be exempted. If the storm shelter structure is used exclusively as a storm shelter, all of the structure's assessed value shall be exempt from taxation. If the storm shelter structure is not used exclusively as a storm shelter, the storm shelter structure shall be assessed for taxation at ~~seventy-five~~ fifty percent of its value as commercial property."

22. Page 21, by inserting after line 31 the following:

"Sec. ___. Section 459.301, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. For purposes of complying with requirements relating to submitting a manure management plan as required in section 459.312, a confinement feeding operation housing poultry which was regulated as a small animal feeding operation prior to April 29, 2002, shall be deemed to be a small animal feeding operation as provided in section 459.312, if the animal weight capacity of the confinement feeding operation has not increased since April 29, 2002.

Sec. ___. Section 463C.11, subsection 1, if enacted by 2005 Iowa Acts, House File 875, is amended

1 to read as follows:
2 1. The honey creek premier destination park bond
3 fund is established as a separate and distinct fund in
4 the state treasury consisting of honey creek premier
5 destination park revenues, any moneys appropriated by
6 the general assembly to the fund, and any other moneys
7 available to and obtained or accepted by the authority
8 for placement in the fund. The moneys in the fund
9 shall be used to develop the honey creek premier
10 destination park in the state by funding the
11 development and construction of facilities in the park
12 including but not limited to lodges, campgrounds,
13 cabins, and golf courses. The treasurer of state is
14 authorized to establish separate and distinct accounts
15 within the honey creek premier destination park bond
16 fund in connection with the issuance of the
17 authority's bonds in accordance with the trust
18 indenture or resolution authorizing the bonds and the
19 authority is authorized to determine which revenues
20 and accounts shall be pledged as security for the
21 bonds. Amounts deposited in the honey creek premier
22 destination park bond fund shall be deposited in the
23 separate and distinct accounts as set forth in the
24 trust indenture or resolution authorizing the bonds.
25 The authority is authorized to pledge and use the
26 gross revenues from the honey creek premier
27 destination park to and for payment of the bonds.
28 Revenues may also be used for the payment of
29 insurance, other credit enhancements, and other
30 financing arrangements. Operating expenses of the
31 honey creek premier destination park may be paid from
32 the revenues to the extent the revenues exceed the
33 amount determined by the authority to be necessary for
34 debt service on the bonds.
35 Sec. ___. Section 463C.13, subsection 4, if
36 enacted by 2005 Iowa Acts, House File 875, is amended
37 to read as follows:
38 4. To assure the continued operation and solvency
39 of the authority for the carrying out of its corporate
40 purposes, provision is made in subsection 1 for the
41 accumulation in each bond reserve fund of an amount
42 equal to the bond reserve fund requirement for the
43 fund. In order further to assure maintenance of the
44 bond reserve funds, the chairperson of the authority
45 shall, on or before ~~July~~ January 1 of each calendar
46 year, make and deliver to the governor the
47 chairperson's certificate stating the sum, if any,
48 required to restore each bond reserve fund to the bond
49 reserve fund requirement for that fund. Within thirty
50 days after the beginning of the session of the general

1 assembly next following the delivery of the
2 certificate, the governor ~~may~~ shall submit to both
3 houses printed copies of a budget including the sum,
4 if any, required to restore each bond reserve fund to
5 the bond reserve fund requirement for that fund. Any
6 sums appropriated by the general assembly and paid to
7 the authority pursuant to this section shall be
8 deposited by the authority in the applicable bond
9 reserve fund.
10 Sec. ___. Section 476C.1, subsection 6, paragraph
11 b, if enacted by 2005 Iowa Acts, Senate File 390,
12 section 7, is amended by adding the following new
13 subparagraph:
14 (8) A community college as defined in section
15 260C.2.
16 Sec. ___. Section 476C.1, subsection 6, paragraph
17 d, if enacted by 2005 Iowa Acts, Senate File 390,
18 section 7, is amended to read as follows:
19 d. Was initially placed into service on or after
20 ~~July~~ January 1, 2005, and before January 1, 2011.
21 Sec. ___. Section 537.2401, subsection 1, Code
22 2005, is amended to read as follows:
23 1. Except as provided with respect to a finance
24 charge for loans pursuant to open end credit under
25 section 537.2402 and loans secured by a certificate of
26 title of a motor vehicle under section 537.2403, a
27 lender may contract for and receive a finance charge
28 not exceeding the maximum charge permitted by the laws
29 of this state or of the United States for similar
30 lenders, and, in addition, with respect to a consumer
31 loan, a supervised financial organization or a
32 mortgage lender may contract for and receive a finance
33 charge, calculated according to the actuarial method,
34 not exceeding twenty-one percent per year on the
35 unpaid balance of the amount financed. ~~This~~ Except as
36 provided in section 537.2403, this subsection does not
37 prohibit a lender from contracting for and receiving a
38 finance charge exceeding twenty-one percent per year
39 on the unpaid balance of the amount financed on
40 consumer loans if authorized by other provisions of
41 the law.
42 Sec. ___. Section 537.2402, subsection 1, Code
43 2005, is amended to read as follows:
44 1. If authorized to make supervised loans, a
45 creditor may contract for and receive a finance charge
46 without limitation as to amount or rate with respect
47 to a loan pursuant to open-end credit as permitted in
48 this section except as provided in section 537.2403.
49 Sec. ___. NEW SECTION. 537.2403 FINANCE CHARGE
50 FOR CONSUMER LOANS SECURED BY A MOTOR VEHICLE.

1 1. A lender shall not contract for or receive a
2 finance charge exceeding twenty-one percent per year
3 on the unpaid balance of the amount financed for a
4 loan of money secured by a certificate of title to a
5 motor vehicle used for personal, family, or household
6 purpose except as authorized under chapter 536 or
7 536A. A consumer who is charged a finance charge in
8 excess of the limitation in this section may seek any
9 remedies available pursuant to this chapter for an
10 excess charge.
11 2. It shall be a violation of this section and an
12 unlawful practice under section 714.16 to attempt to
13 avoid application of this section by structuring a
14 loan of money secured by certificate of title to a
15 motor vehicle as a sale, sale and repurchase, sale and
16 lease, pawn, rental purchase, lease, or other type of
17 transaction with the intent to avoid application of
18 this section or any other applicable provision of this
19 chapter."
20 23. Page 23, by inserting after line 35, the
21 following:
22 "Sec. ___. Section 602.10110, Code 2005, is
23 amended to read as follows:
24 602.10110 OATH.
25 All persons on being admitted to the bar shall take
26 an oath or affirmation, as promulgated by the supreme
27 court, declaring to support the Constitutions of the
28 United States and of the state of Iowa, and to
29 faithfully discharge, according to the best of their
30 ability, the duties of an attorney ~~and counselor of~~
31 ~~this state according to the best of their ability~~.
32 Sec. ___. Section 602.10112, Code 2005, is
33 repealed.
34 Sec. ___. 2005 Iowa Acts, House File 825, section
35 29, subsection 1, paragraph 1, if enacted, relating to
36 reimbursement under the medical assistance program to
37 physicians who administer injectable drugs, is amended
38 by striking the paragraph.
39 Sec. ___. NEW GROWTH PROGRAM. There is
40 appropriated from the general fund of the state to the
41 Iowa finance authority, for the fiscal year beginning
42 July 1, 2005, and ending June 30, 2006, two hundred
43 thousand dollars, or so much thereof as is necessary,
44 to be used for the new growth program established in
45 section 16.191, if enacted in this division of this
46 Act."
47 24. Page 24, by inserting before line 1, the
48 following:
49 "Sec. ___. VEHICLE DEALERSHIP STUDY. The
50 legislative council is requested to appoint an interim

1 study committee that will study the motor vehicle
2 licensing law as it pertains to motor vehicle
3 dealerships' moves from one facility and location to
4 another facility and location in the state. A report
5 should be provided to the general assembly by January
6 15, 2006."
7 25. Page 24, line 18, by striking the word
8 "section" and inserting the following: "sections".
9 26. Page 24, line 19, by inserting after the word
10 "Act" the following: "amending section 427.1,
11 subsection 21, and".
12 27. Page 24, line 20, by striking the words "a
13 property tax exemption" and inserting the following:
14 "property tax exemptions".
15 28. Page 24, by inserting after line 21, the
16 following:
17 "Sec. ___. RETROACTIVE APPLICABILITY DATE. The
18 section of this division of this Act amending section
19 423E.5, being deemed of immediate importance, takes
20 effect upon enactment and applies retroactively to
21 July 1, 2004.
22 Sec. ___. EFFECTIVE AND APPLICABILITY DATES. The
23 sections of this division of this Act amending section
24 427.1, subsection 21, and enacting new subsection 21A
25 to section 427.1, being deemed of immediate
26 importance, take effect upon enactment and apply
27 retroactively to January 1, 2005, for assessment years
28 beginning on or after that date.
29 Sec. ___. APPLICABILITY. Section 25B.7 does not
30 apply to the amendment to section 427.1, subsection
31 30, in this division of this Act.
32 Sec. ___. EFFECTIVE DATE. The sections of this
33 division of this Act amending section 476C.1, if
34 enacted, being deemed of immediate importance, take
35 effect upon enactment and are applicable beginning on
36 the enactment date of 2005 Iowa Acts, Senate File 390,
37 if enacted."
38 29. Page 24, by inserting after line 27, the
39 following:
40 "Sec. ___. EFFECTIVE DATE. The sections of this
41 division of this Act amending section 602.10110 and
42 repealing section 602.10112, being deemed of immediate
43 importance, take effect upon enactment."
44 30. By striking page 24, line 30, through page
45 28, line 30, and inserting the following:
46 "Sec. ___. 2005 Iowa Acts, House File 881, section
47 1, subsection 2, if enacted, is amended to read as
48 follows:
49 2. The following annual salary rates shall be paid
50 to the persons holding the judicial positions

1 indicated during the fiscal year beginning July 1,
2 2005, effective with the pay period beginning July 1,
3 2005, and for subsequent pay periods.
4 a. Chief justice of the supreme court:
5 ..... $ ~~132,720~~
6 146,000
7 b. Each justice of the supreme court:
8 ..... $ ~~128,000~~
9 138,500
10 c. Chief judge of the court of appeals:
11 ..... $ ~~127,920~~
12 134,600
13 d. Each associate judge of the court of appeals:
14 ..... $ ~~123,120~~
15 129,600
16 e. Each chief judge of a judicial district:
17 ..... $ ~~122,000~~
18 126,000
19 f. Each district judge except the chief judge of a
20 judicial district:
21 ..... $ ~~117,040~~
22 121,000
23 g. Each district associate judge:
24 ..... $ ~~102,000~~
25 105,500
26 h. Each associate juvenile judge:
27 ..... $ ~~102,000~~
28 105,500
29 i. Each associate probate judge:
30 ..... $ ~~102,000~~
31 105,500
32 j. Each judicial magistrate:
33 ..... $ ~~30,400~~
34 31,500
35 k. Each senior judge:
36 ..... $ ~~6,800~~
37 7,020
38 Sec. ___. YOUTH LEADERSHIP PROGRAM. There is
39 appropriated from the general fund of the state to the
40 department of corrections for the fiscal year
41 beginning July 1, 2005, and ending June 30, 2006, the
42 following amount, or so much thereof as is necessary,
43 to be used for the purpose designated:
44 For the sixth judicial district department of
45 correctional services:
46 ..... $ 100,000
47 The appropriation made in this section shall be
48 used by the judicial district department of
49 correctional services to establish or maintain a youth
50 leadership model program to help at-risk youth in the

1 judicial district department of correctional services.
2 As a part of the program, the judicial district
3 department of correctional services may recruit
4 college or high school students in the judicial
5 district to work with at-risk youth. The student
6 workers shall be recruited regardless of gender, be
7 recommended by their respective schools as good role
8 models, including, but not limited to, students who
9 possess capabilities in one or more of the following
10 areas of ability: intellectual capacity, athletic,
11 visual arts, or performing arts.
12 Sec. ___. FULL-TIME EQUIVALENT POSITIONS FOR THE
13 DIVISION OF CRIMINAL INVESTIGATION AND BUREAU OF
14 IDENTIFICATION. Notwithstanding the full-time
15 equivalent positions authorization in the
16 appropriation made for the fiscal year beginning July
17 1, 2005, to the department of public safety for the
18 division of criminal investigation and bureau of
19 identification in 2005 Iowa Acts, House File 811, if
20 enacted, the number of full-time equivalent positions
21 is increased from 225.50 positions to 228.50
22 positions."
23 31. By striking page 35, line 25, through page
24 36, line 25 and inserting the following:
25 "Sec. ___. COUNTY REAL ESTATE ELECTRONIC
26 GOVERNMENT ADVISORY COMMITTEE.
27 1. A county real estate electronic government
28 advisory committee is created. Staffing services for
29 the advisory committee shall be provided by the
30 auditor of state. The advisory committee membership
31 shall consist of the following:
32 a. Two members selected by the Iowa state
33 association of county auditors.
34 b. Two members selected by the Iowa state county
35 treasurers association.
36 c. Two members selected by the Iowa county
37 recorders association.
38 d. Two members selected by the Iowa state
39 association of assessors.
40 e. One member selected by each of the following
41 organizations:
42 (1) Iowa state association of counties.
43 (2) Iowa land title association.
44 (3) Iowa bankers association.
45 (4) Iowa credit union league.
46 (5) Iowa state bar association.
47 (6) Iowa association of realtors.
48 2. The county real estate electronic government
49 advisory committee shall facilitate discussion to
50 integrate the county land record information system

1 created pursuant to section 331.605C with the
2 electronic government internet applications of county
3 treasurers, county recorders, county auditors, and
4 county assessors. The advisory committee shall file
5 an integration plan with the governor and the general
6 assembly on or before November 1, 2005."
7 32. By striking page 36, line 34, through page
8 37, line 2, and inserting the following: "of the
9 county land record information system. The Iowa
10 county recorders".
11 33. Page 37, by striking line 21, and inserting
12 the following: "documents in the county land record
13 information system until authorized by the".
14 34. Page 37, line 22, by inserting after the word
15 "assembly." the following: "However, county recorders
16 may collect actual third-party fees associated with
17 accepting and processing statutorily authorized fees
18 including credit card fees, treasury management fees,
19 and other transaction fees required to enable
20 electronic payment. For the purposes of this
21 subsection, the term "third-party" does not include
22 the county land record information system, the Iowa
23 state association of counties, or any of the
24 association's affiliates."
25 35. Page 37, lines 24 and 25, by striking the
26 words "and the department of administrative services".
27 36. Page 37, by inserting after line 33, the
28 following:
29 "Sec. ___. DATA SECURITY AUDIT.
30 1. The Iowa county recorders association shall
31 select a vendor to conduct a data security audit of
32 the county land record information system created
33 pursuant to section 331.605C. The review and
34 assessment utilized in the audit shall include, but
35 are not limited to, a review of the functional and
36 system requirements, design documentation, software
37 code developed to support the business requirements,
38 operational procedures, financial flows including a
39 financial forecast, requests for proposals, and all
40 contracts.
41 2. The costs of the data security audit conducted
42 pursuant to subsection 1 shall be paid from moneys
43 appropriated to the treasurer of state pursuant to
44 section 331.605C.
45 3. The Iowa county recorders association shall
46 forward the complete results of the data security
47 audit to the government oversight committees of the
48 senate and the house of representatives and the
49 general assembly on or before December 1, 2005, and
50 the government oversight committees may request

1 additional updates."
2 37. Page 48, by inserting after line 23, the
3 following:
4 "Sec. ___. 2005 Iowa Acts, House File 839, is
5 amended by adding the following new section:
6 SEC. ___. EFFECTIVE DATE. This Act, being deemed
7 of immediate importance, takes effect upon enactment
8 of 2005 Iowa Acts, House File 882."
9 38. Page 48, by inserting after line 26 the
10 following:
11 "DIVISION
12 STATE LIQUOR ACTIVITIES
13 Sec. ___. Section 123.53, subsection 3, Code 2005,
14 is amended to read as follows:
15 3. The treasurer of state shall transfer into a
16 special revenue account in the general fund of the
17 state, a sum of money at least equal to seven percent
18 of the gross amount of sales made by the division from
19 the beer and liquor control fund on a monthly basis
20 but not less than nine million dollars annually~~, and~~
21 ~~any amounts so~~. Of the amounts transferred, two
22 million dollars, plus an additional amount determined
23 by the general assembly, shall be ~~used by~~ appropriated
24 to the substance abuse division of the Iowa department
25 of public health to be used for substance abuse
26 treatment and prevention programs ~~in an amount~~
27 ~~determined by the general assembly and any~~. Any
28 amounts received in excess of the amounts appropriated
29 to the substance abuse division of the Iowa department
30 of public health shall be considered part of the
31 general fund balance.
32 Sec. ___. ALCOHOLIC BEVERAGES DIVISION -- STATE
33 LIQUOR WAREHOUSE AND TRUCKING FUNCTIONS. The
34 department of administrative services shall issue a
35 request for proposals developed with the alcoholic
36 beverages division of the department of commerce or
37 otherwise utilize a competitive process not
38 inconsistent with the division's current charter
39 agency agreement to select a provider to perform the
40 state liquor warehouse and trucking functions. The
41 request for proposals or competitive process shall be
42 issued or commenced as soon as is reasonably possible
43 and a provider shall be selected no later than
44 December 31, 2005. The division may submit a bid in
45 response to a request for proposals issued or
46 competitive process conducted pursuant to this
47 section. If the division submits a bid, the division
48 shall include in the bid the cost of labor to perform
49 the contract which shall be calculated by using the
50 cost of hiring full-time equivalent positions to

1 perform the contract pursuant to state pay grade
2 classifications and benefits as outlined in the most
3 recent collective bargaining agreement applicable to
4 other employees of the division. Notwithstanding any
5 provision of chapter 22 to the contrary, the
6 division's bid and any documents the division uses in
7 developing its bid shall be considered a confidential
8 record until the department of administrative services
9 announces the results of the request for proposals or
10 competitive process.
11 Sec. ___. EFFECTIVE DATE. The section of this Act
12 amending section 123.53 takes effect July 1, 2006.
13 DIVISION
14 BOARD OF REGENTS
15 Sec. ___. Section 12B.10C, Code 2005, is amended
16 by adding the following new subsection:
17 NEW SUBSECTION. 10. The state board of regents
18 governed by chapter 262.
19 Sec. ___. Section 73A.1, subsection 2, Code 2005,
20 is amended to read as follows:
21 2. "Municipality" as used in this chapter means
22 township, school corporation, and state fair board~~,~~
23 ~~and state board of regents~~.
24 Sec. ___. Section 262.9, subsection 7, Code 2005,
25 is amended to read as follows:
26 7. ~~With the approval of the executive council,~~
27 ~~acquire~~ Acquire real estate for the proper uses of
28 ~~said~~ institutions under its control, and dispose of
29 real estate belonging to ~~said~~ the institutions when
30 not necessary for their purposes. ~~A~~ The disposal of
31 ~~such~~ real estate shall be made upon such terms,
32 conditions, and consideration as the board may
33 recommend ~~and subject to the approval of the executive~~
34 ~~council~~. If real estate subject to sale ~~hereunder~~ has
35 been purchased or acquired from appropriated funds,
36 the proceeds of such sale shall be deposited with the
37 treasurer of state and credited to the general fund of
38 the state. There is hereby appropriated from the
39 general fund of the state a sum equal to the proceeds
40 so deposited and credited to the general fund of the
41 state to the state board of regents, which~~, with the~~
42 ~~prior approval of the executive council,~~ may be used
43 to purchase other real estate and buildings~~,~~ and for
44 the construction and alteration of buildings and other
45 capital improvements. All transfers shall be by state
46 patent in the manner provided by law. The board is
47 also authorized to grant easements for rights-of-way
48 over, across, and under the surface of public lands
49 under its jurisdiction when in the board's judgment
50 such easements are desirable and will benefit the

1 state of Iowa.
2 Sec. ___. Section 262.9, subsection 15, unnumbered
3 paragraph 2, Code 2005, is amended by striking the
4 unnumbered paragraph.
5 Sec. ___. Section 262.10, unnumbered paragraph 1,
6 Code 2005, is amended to read as follows:
7 No sale or purchase of real estate shall be made
8 save upon the order of the board, made at a regular
9 meeting, or one called for that purpose, and then in
10 such manner and under such terms as the board may
11 prescribe ~~and only with the approval of the executive~~
12 ~~council~~. No member of the board or any of its
13 committees, offices or agencies nor any officer of any
14 institution, shall be directly or indirectly
15 interested in such purchase or sale.
16 Sec. ___. Section 262.33A, Code 2005, is amended
17 to read as follows:
18 262.33A FIRE AND ENVIRONMENTAL SAFETY -- REPORT --
19 EXPENDITURES.
20 It is the intent of the general assembly that each
21 institution of higher education under the control of
22 the state board of regents shall, in consultation with
23 the state fire marshal, identify and correct all
24 critical fire and environmental safety deficiencies.
25 ~~The state fire marshal shall report annually to the~~
26 ~~joint subcommittee on education appropriations. The~~
27 ~~report shall include, but is not limited to, the~~
28 ~~identified deficiencies in fire and environmental~~
29 ~~safety at the institutions, and plans for correction~~
30 ~~of the deficiencies and for compliance with this~~
31 ~~section.~~ Commencing July 1, 1993, each institution
32 under the control of the state board of regents shall
33 expend annually for fire safety and deferred
34 maintenance at least the amount budgeted for these
35 purposes for the fiscal year beginning July 1, 1992,
36 in addition to any moneys appropriated from the
37 general fund for these purposes in succeeding years.
38 Sec. ___. Section 262.34, Code 2005, is amended to
39 read as follows:
40 262.34 IMPROVEMENTS -- ADVERTISEMENT FOR BIDS --
41 DISCLOSURES -- PAYMENTS.
42 1. When the estimated cost of construction,
43 repairs, or improvement of buildings or grounds under
44 charge of the state board of regents exceeds ~~twenty-~~
45 ~~five~~ one hundred thousand dollars, the board shall
46 advertise for bids for the contemplated improvement or
47 construction and shall let the work to the lowest
48 responsible bidder. However, if in the judgment of
49 the board bids received are not acceptable, the board
50 may reject all bids and proceed with the construction,

1 repair, or improvement by a method as the board may
2 determine. All plans and specifications for repairs
3 or construction, together with bids on the plans or
4 specifications, shall be filed by the board and be
5 open for public inspection. All bids submitted under
6 this section shall be accompanied by a deposit of
7 money, a certified check, or a credit union certified
8 share draft in an amount as the board may prescribe.
9 2. A bidder awarded a contract shall disclose the
10 names of all subcontractors, who will work on the
11 project being bid, within forty-eight hours after the
12 award of the contract. If a subcontractor named by a
13 bidder awarded a contract is replaced, or if the cost
14 of work to be done by a subcontractor is reduced, the
15 bidder shall disclose the name of the new
16 subcontractor or the amount of the reduced cost.
17 3. Payments made by the board for the construction
18 of public improvements shall be made in accordance
19 with the provisions of chapter 573 except that:
20 a. Payments may be made without retention until
21 ninety-five percent of the contract amount has been
22 paid. The remaining five percent of the contract
23 amount shall be paid as provided in section 573.14,
24 except that:
25 (1) At any time after all or any part of the work
26 is substantially completed in accordance with
27 paragraph "c", the contractor may request the release
28 of all or part of the retainage owed. Such request
29 shall be accompanied by a waiver of claim rights under
30 the provisions of chapter 573 from any person, firm,
31 or corporation who has, under contract with the
32 principal contractor or with subcontractors performed
33 labor, or furnished materials, service, or
34 transportation in the construction of that portion of
35 the work for which release of the retainage is
36 requested.
37 (2) Upon receipt of the request, the board shall
38 release all or part of the unpaid funds. Retainage
39 that is approved as payable shall be paid at the time
40 of the next monthly payment or within thirty days,
41 whichever is sooner. If partial retainage is released
42 pursuant to a contractor's request, no retainage shall
43 be subsequently held based on that portion of the
44 work. If within thirty days of when payment becomes
45 due the board does not release the retainage due,
46 interest shall accrue on the retainage amount due as
47 provided in section 573.14 until that amount is paid.
48 (3) If at the time of the request for the
49 retainage there are remaining or incomplete minor
50 items, an amount equal to two hundred percent of the

1 value of each remaining or incomplete item, as
2 determined by the board's authorized contract
3 representative, may be withheld until such item or
4 items are completed.
5 (4) An itemization of the remaining or incomplete
6 items, or the reason that the request for release of
7 the retainage was denied, shall be provided to the
8 contractor in writing within thirty calendar days of
9 the receipt of the request for release of retainage.
10 b. For purposes of this section, "authorized
11 contract representative" means the architect or
12 engineer who is in charge of the project and chosen by
13 the board to represent its interests, or if there is
14 no architect or engineer, then such other contract
15 representative or officer as designated in the
16 contract documents as the party representing the
17 board's interest regarding administration and
18 oversight of the project.
19 c. For purposes of this section, "substantially
20 completed" means the first date on which any of the
21 following occurs:
22 (1) Completion of the project or when the work has
23 been substantially completed in general accordance
24 with the terms and provisions of the contract.
25 (2) The work or the portion designated is
26 sufficiently complete in accordance with the
27 requirements of the contract so the board can occupy
28 or utilize the work for its intended purpose.
29 (3) The project is certified as having been
30 substantially completed by either of the following:
31 (a) The architect or engineer authorized to make
32 such certification.
33 (b) The contracting authority representing the
34 board.
35 4. Each contractor or subcontractor shall withhold
36 retainage, if at all, in the same manner as retainage
37 is withheld from the contractor or subcontractor; and
38 each subcontractor shall pass through all retainage
39 payments to lower tier subcontractors in accordance
40 with the provisions of chapter 573.
41 Sec. ___. Section 262.57, unnumbered paragraph 1,
42 Code 2005, is amended to read as follows:
43 To pay all or any part of the cost of carrying out
44 any project at any institution the board is authorized
45 to borrow money and to issue and sell negotiable bonds
46 or notes and to refund and refinance bonds or notes
47 heretofore issued or as may be hereafter issued for
48 any project or for refunding purposes at a lower rate,
49 the same rate or a higher rate or rates of interest
50 and from time to time as often as the board shall find

1 it to be advisable and necessary so to do. Such bonds
2 or notes may be sold by said board at public sale in
3 the manner prescribed by chapter 75 but if the board
4 shall find it to be advantageous and in the public
5 interest to do so, such bonds or notes may be sold by
6 the board at private sale without published notice of
7 any kind and without regard to the requirements of
8 chapter 75 in such manner and upon such terms as may
9 be prescribed by the resolution authorizing the same~~,~~
10 ~~but such bonds or notes shall in any event be sold~~
11 ~~upon terms of not less than par plus accrued interest~~.
12 Bonds or notes issued to refund other bonds or notes
13 heretofore or hereafter issued by the board for
14 residence hall or dormitory purposes at any
15 institution, including dining or other facilities and
16 additions, or heretofore or hereafter issued for
17 refunding purposes, may either be sold in the manner
18 hereinbefore specified and the proceeds thereof
19 applied to the payment of the obligations being
20 refunded, or the refunding bonds or notes may be
21 exchanged for and in payment and discharge of the
22 obligations being refunded, and a finding by the board
23 in the resolution authorizing the issuance of such
24 refunding bonds or notes that the bonds or notes being
25 refunded were issued for a purpose specified in this
26 division and constitute binding obligations of the
27 board shall be conclusive and may be relied upon by
28 any holder of any refunding bond or note issued under
29 the provisions of this division. The refunding bonds
30 or notes may be sold or exchanged in installments at
31 different times or an entire issue or series may be
32 sold or exchanged at one time. Any issue or series of
33 refunding bonds or notes may be exchanged in part or
34 sold in parts in installments at different times or at
35 one time. The refunding bonds or notes may be sold or
36 exchanged at any time on, before, or after the
37 maturity of any of the outstanding notes, bonds or
38 other obligations to be refinanced thereby and may be
39 issued for the purpose of refunding a like or greater
40 principal amount of bonds or notes, except that the
41 principal amount of the refunding bonds or notes may
42 exceed the principal amount of the bonds or notes to
43 be refunded to the extent necessary to pay any premium
44 due on the call of the bonds or notes to be refunded
45 or to fund interest in arrears or about to become due.
46 Sec. ___. Section 262.78, subsection 6, Code 2005,
47 is amended by striking the subsection.
48 Sec. ___. Section 262A.5, unnumbered paragraph 1,
49 Code 2005, is amended to read as follows:
50 The board is authorized to borrow money under this

1 chapter, and the board may issue and sell negotiable
2 bonds to pay all or any part of the cost of carrying
3 out any project at any institution and may refund and
4 refinance bonds issued for any project or for
5 refunding purposes at the same rate or at a higher or
6 lower rate or rates of interest. Bonds issued under
7 the provisions of this chapter shall be sold by said
8 board at public sale on the basis of sealed proposals
9 received pursuant to a notice specifying the time and
10 place of sale and the amount of bonds to be sold which
11 shall be published at least once not less than seven
12 days prior to the date of sale in a newspaper
13 published in the state of Iowa and having a general
14 circulation in said state. The provisions of chapter
15 75 shall ~~not~~ apply to bonds issued under authority
16 contained in this chapter~~, but such bonds shall be~~
17 ~~sold upon terms of not less than par plus accrued~~
18 ~~interest~~ to the extent not in conflict with this
19 chapter. Bonds issued to refund other bonds issued
20 under the provisions of this chapter may either be
21 sold in the manner hereinbefore specified and the
22 proceeds thereof applied to the payment of the
23 obligations being refunded, or the refunding bonds may
24 be exchanged for and in payment and discharge of the
25 obligations being refunded. The refunding bonds may
26 be sold or exchanged in installments at different
27 times or an entire issue or series may be sold or
28 exchanged at one time. Any issue or series of
29 refunding bonds may be exchanged in part or sold in
30 parts in installments at different times or at one
31 time. The refunding bonds may be sold or exchanged at
32 any time on, before, or after the maturity of any of
33 the outstanding bonds or other obligations to be
34 refinanced thereby and may be issued for the purpose
35 of refunding a like or greater principal amount of
36 bonds, except that the principal amount of the
37 refunding bonds may exceed the principal amount of the
38 bonds to be refunded to the extent necessary to pay
39 any premium due on the call of the bonds to be
40 refunded or to fund interest in arrears or which is to
41 become due.
42 Sec. ___. Section 266.39F, subsection 2,
43 unnumbered paragraph 2, Code 2005, is amended to read
44 as follows:
45 The provisions of section 262.9, subsection 7, ~~and~~
46 ~~section 262.10,~~ shall not apply to the sale of any
47 portion of land to be sold in accordance with this
48 section or to the use of the proceeds from the sale of
49 the land.
50 Sec. ___. Section 573.12, subsection 1, unnumbered

1 paragraph 1, Code 2005, is amended to read as follows:
2 Payments made under contracts for the construction
3 of public improvements, unless provided otherwise by
4 law, shall be made on the basis of monthly estimates
5 of labor performed and material delivered, as
6 determined by the project architect or engineer. The
7 public corporation shall retain from each monthly
8 payment not more than five percent of that amount
9 which is determined to be due according to the
10 estimate of the architect or engineer. ~~However,~~
11 ~~institutions governed pursuant to chapter 262 may, on~~
12 ~~contracts where a bond is required under section~~
13 ~~573.2, make payments under this section without~~
14 ~~retention until ninety-five percent of the contract~~
15 ~~amount has been paid and the remaining five percent of~~
16 ~~the contract amount shall be paid as provided under~~
17 ~~section 573.14.~~
18 Sec. ___. Section 573.14, unnumbered paragraph 2,
19 Code 2005, is amended to read as follows:
20 The public corporation shall order payment of any
21 amount due the contractor to be made in accordance
22 with the terms of the contract. Except as provided in
23 section 573.12 for progress payments, failure to make
24 payment pursuant to this section, of any amount due
25 the contractor, within forty days, unless a greater
26 time period not to exceed fifty days is specified in
27 the contract documents, after the work under the
28 contract has been completed and if the work has been
29 accepted and all required materials, certifications,
30 and other documentations required to be submitted by
31 the contractor and specified by the contract have been
32 furnished the awarding public corporation by the
33 contractor, shall cause interest to accrue on the
34 amount unpaid to the benefit of the unpaid party.
35 Interest shall accrue during the period commencing the
36 thirty-first day following the completion of work and
37 satisfaction of the other requirements of this
38 paragraph and ending on the date of payment. The rate
39 of interest shall be determined by the period of time
40 during which interest accrues, and shall be the same
41 as the rate of interest that is in effect under
42 section 12C.6, as of the day interest begins to
43 accrue, for a deposit of public funds for a comparable
44 period of time. <u>However, for institutions governed</u>
45 <u>pursuant to chapter 262, the rate of interest shall be</u>
46 <u>determined by the period of time during which interest</u>
47 <u>accrues, and shall be calculated as the prime rate</u>
48 <u>plus one percent per year as of the day interest</u>
49 <u>begins to accrue.</u> This paragraph does not abridge any
50 of the rights set forth in section 573.16. Except as

1 provided in sections 573.12 and 573.16, interest shall
2 not accrue on funds retained by the public corporation
3 to satisfy the provisions of this section regarding
4 claims on file. This chapter does not apply if the
5 public corporation has entered into a contract with
6 the federal government or accepted a federal grant
7 which is governed by federal law or rules that are
8 contrary to the provisions of this chapter. For
9 purposes of this unnumbered paragraph, "prime rate"
10 means the prime rate charged by banks on short-term
11 business loans, as determined by the board of
12 governors of the federal reserve system and published
13 in the federal reserve bulletin.
14 Sec. ___. Sections 262.64A, 262.67, 262A.3,
15 262A.6A, 263A.11, 265.6, and 473.12, Code 2005, are
16 repealed.
17 DIVISION
18 ENTREPRENEURS WITH DISABILITIES
19 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
20 -- TRANSFER OF ADMINISTRATION. The department of
21 economic development shall transfer the administrative
22 duties of the entrepreneurs with disabilities program
23 to the Iowa finance authority. The authority shall
24 adopt rules pursuant to chapter 17A for purposes of
25 administering the program. Any contract entered into
26 under the program by the department of economic
27 development remains valid. The transfer of
28 administrative duties to the authority shall not
29 constitute grounds for recision or modification of a
30 contract under the program entered into with the
31 department.
32 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
33 -- APPROPRIATION. For the fiscal year beginning July
34 1, 2005, and ending June 30, 2006, there is
35 appropriated from the general fund of the state to the
36 Iowa finance authority two hundred thousand dollars
37 for purposes of the entrepreneurs with disabilities
38 program.
39 DIVISION
40 GRAPE AND WINE DEVELOPMENT
41 Sec. ___. Section 175A.1, subsection 2, Code 2005,
42 is amended to read as follows:
43 2. "Department" means the Iowa department of
44 ~~agriculture and land stewardship~~ economic development
45 as created in section 15.105.
46 Sec. ___. Section 175A.1, Code 2005, is amended by
47 adding the following new subsection:
48 NEW SUBSECTION. 2A. "Director" means the director
49 of the department as appointed by the governor
50 pursuant to section 15.105.

1 Sec. ___. Section 175A.2, subsection 1, paragraph
2 a, subparagraph (1), Code 2005, is amended to read as
3 follows:
4 (1) The ~~secretary of agriculture~~ director.
5 Sec. ___. Section 175A.2, subsection 1, paragraph
6 a, subparagraph (3), Code 2005, is amended by striking
7 the paragraph.
8 Sec. ___. Section 175A.2, subsection 1, paragraph
9 b, unnumbered paragraph 1, Code 2005, is amended to
10 read as follows:
11 The following persons appointed by the ~~secretary of~~
12 ~~agriculture~~ director, who shall serve as voting
13 members:
14 Sec. ___. Section 175A.2, subsection 1, unnumbered
15 paragraph 2, Code 2005, is amended to read as follows:
16 The ~~secretary of agriculture~~ director shall appoint
17 the voting members based on a list of nominations
18 submitted by organizations representing growers,
19 winemakers, and retail sellers as certified by the
20 department according to requirements of the
21 department. Appointments of voting members are
22 subject to the requirements of sections 69.16 and
23 69.16A. In addition, the appointments shall be
24 geographically balanced. Unless the ~~secretary of~~
25 ~~agriculture~~ director determines that it is not
26 feasible, at least one person appointed as a voting
27 member shall reside in each of the state's
28 congressional districts at the time of appointment.
29 The ~~secretary of agriculture's~~ director's appointees
30 shall be confirmed by the senate, pursuant to section
31 2.32.
32 Sec. ___. Section 175A.2, subsection 2, Code 2005,
33 is amended to read as follows:
34 2. The voting members shall serve three-year terms
35 beginning and ending as provided in section 69.19.
36 ~~However, the secretary of agriculture shall appoint~~
37 ~~initial members to serve for less than three years to~~
38 ~~ensure members serve staggered terms.~~ A member is
39 eligible for reappointment. A vacancy on the
40 commission shall be filled for the unexpired portion
41 of the regular term in the same manner as regular
42 appointments are made.
43 Sec. ___. TRANSITIONAL PROVISIONS.
44 1. Any agreement made by the department of
45 agriculture and land stewardship which is executed
46 pursuant to chapter 175A and which is in effect on the
47 effective date of the amendments to sections 175A.1
48 and 175A.2 in this division of this Act shall continue
49 in full force and effect until the agreement expires
50 by its terms or is amended, terminated, or

1 supplemented by the affirmative action of the Iowa
2 department of economic development.
3 2. Any rule, regulation, form, order, or directive
4 adopted or issued by the department of agriculture and
5 land stewardship pursuant to chapter 175A which is in
6 effect on the effective date of amendments to sections
7 175A.1 and 175A.2 in this division of this Act shall
8 continue in full force and effect until amended,
9 repealed, or supplemented by the affirmative action of
10 the Iowa department of economic development as
11 provided in chapter 17A.
12 3. A person who holds a position as a member of
13 the grape and wine development commission who was
14 appointed by the secretary of agriculture pursuant to
15 section 175A.2 prior to the effective date of
16 amendments to sections 175A.1 and 175A.2 in this
17 division of this Act shall continue to hold such
18 position until the end of the member's term of office.
19 Sec. ___. EFFECTIVE DATE. The amendments to
20 sections 175.1 and 175.2 in this division of this Act
21 which provide for the transfer of administrative
22 duties and powers of chapter 175A from the department
23 of agriculture and land stewardship to the Iowa
24 department of economic development and transitional
25 provisions applying to that transfer as provided in
26 this division of this Act take effect upon enactment.
27 39. Title page, line 1, by inserting after the
28 word "Act" the following: "relating to state and
29 local finances by providing for tax exemptions,
30 credits, tax credit transfers, and other tax-related
31 matters and by".
32 40. Title page, line 2, by inserting after the
33 word "matters" the following: "and penalties"
34 41. By renumbering as necessary.

**By** JEFF ANGELO
ROBERT E. DVORSKY

**S-3306** FILED MAY 6, 2005
ADOPTED

# HOUSE FILE 882

**S-3308**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 18, by inserting after line 30 the
4 following:
5 "Sec. ___. Section 384.4, Code 2005, is amended by
6 adding the following new subsection:
7 NEW SUBSECTION. 5. Principal and interest on
8 obligations issued prior to July 1, 2006, for urban
9 renewal project activities under chapter 403, but only
10 to the extent necessary to make up any shortfall in
11 the revenues allocated to the special fund of the city
12 pursuant to section 403.19, subsection 2, which
13 results from the increase in the regular program
14 foundation base pursuant to section 257.1, subsection
15 2, after deduction for any such revenue increases as a
16 result of imposition of the optional supplemental
17 amount pursuant to section 260C.17. This subsection
18 is repealed effective January 1, 2026."
19 2. Page 24, by inserting after line 27 the
20 following:
21 "Sec. ___. CONTINGENT EFFECTIVE DATE. The section
22 of this division of this Act amending section 384.4 is
23 contingent upon enactment of an increase in the
24 regular program foundation base pursuant to section
25 257.1, subsection 2, if enacted, by 2005 Iowa Acts,
26 Senate File 416."

**By** JOE BOLKCOM

**S-3308** FILED MAY 6, 2005
WITHDRAWN

S-3309

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 26 the
4 following:
5 "DIVISION
6 PROVISIONS RELATING TO THE PRACTICE OF PHARMACY
7 Sec. ___. Section 155A.3, subsection 11, Code
8 2005, is amended to read as follows:
9 11. "Dispense" means to deliver a prescription
10 drug, device, or controlled substance to an ultimate
11 user or research subject by or pursuant to the lawful
12 prescription drug order or medication order of a
13 practitioner, including the prescribing,
14 administering, packaging, labeling, or compounding
15 necessary to prepare the substance for that delivery.
16 Sec. ___. Section 155A.3, Code 2005, is amended by
17 adding the following new subsection:
18 NEW SUBSECTION. 22A. "Logistics provider" means
19 an entity that provides or coordinates warehousing,
20 distribution, or other services on behalf of a
21 manufacturer or other owner of a drug, but does not
22 take title to the drug or have general responsibility
23 to direct its sale or other disposition.
24 Sec. ___. Section 155A.3, Code 2005, is amended by
25 adding the following new subsection:
26 NEW SUBSECTION. 23A. "Pedigree" means a recording
27 of each distribution of any given drug or device, from
28 the sale by the manufacturer through acquisition and
29 sale by any wholesaler, pursuant to rules adopted by
30 the board.
31 Sec. ___. Section 155A.3, subsection 33, paragraph
32 b, Code 2005, is amended to read as follows:
33 b. A drug or device that under federal law is
34 required, prior to being dispensed or delivered, to be
35 labeled with ~~either~~ one of the following statements:
36 (1) Caution: Federal law prohibits dispensing
37 without a prescription.
38 (2) Caution: Federal law restricts this drug to
39 use by or on the order of a licensed veterinarian.
40 (3) Caution: Federal law restricts this device to
41 sale by, or on the order of, a physician.
42 (4) Rx only.
43 Sec. ___. Section 155A.3, subsection 35, Code
44 2005, is amended to read as follows:
45 35. "Proprietary medicine" or "over-the-counter
46 medicine" means a nonnarcotic drug or device that may
47 be sold without a prescription and that is labeled and
48 packaged in compliance with applicable state or
49 federal law.
50 Sec. ___. Section 155A.3, subsection 38, Code

2005, is amended to read as follows:

38. "Wholesaler" means a person operating or maintaining, either within or outside this state, a manufacturing plant, wholesale distribution center, wholesale business, or any other business in which prescription drugs or devices, medicinal chemicals, medicines, or poisons are sold, manufactured, compounded, dispensed, stocked, exposed, distributed from, or offered for sale at wholesale in this state. "Wholesaler" does not include those wholesalers who sell only proprietary or over-the-counter medicines. "Wholesaler" also does not include a commercial carrier that temporarily stores prescription drugs or devices, medicinal chemicals, medicines, or poisons while in transit.

Sec. ___. Section 155A.4, subsection 2, paragraph a, Code 2005, is amended to read as follows:

a. A ~~manufacturer or~~ wholesaler to distribute prescription drugs or devices as provided by state or federal law.

Sec. ___. Section 155A.13, subsection 6, unnumbered paragraph 1, Code 2005, is amended to read as follows:

To qualify for a pharmacy license, the applicant shall submit to the board a license fee as determined by the board and a completed application on a form prescribed by the board ~~that shall include the following information and~~. The application shall include the following and such other information as required by rules of the board and shall be given under oath:

Sec. ___. Section 155A.17, subsection 2, Code 2005, is amended to read as follows:

2. The board shall establish standards for drug wholesaler licensure and may define specific types of wholesaler licenses. The board may deny, suspend, or revoke a drug wholesale license for failure to meet the applicable standards or for a violation of the laws of this state, another state, or the United States relating to prescription drugs, devices, or controlled substances, or for a violation of this chapter, chapter 124, 124A, 124B, 126, or 205, or a rule of the board.

Sec. ___. Section 155A.17, subsection 3, Code 2005, is amended to read as follows:

3. The board shall adopt rules pursuant to chapter 17A on matters pertaining to the issuance of a wholesale drug license. The rules shall provide for conditions of licensure, compliance standards, licensure fees, disciplinary action, and other

relevant matters. Additionally, the rules shall establish provisions or exceptions for pharmacies, chain pharmacy distribution centers, logistics providers, and other types of wholesalers relating to pedigree requirements, drug or device returns, and other related matters, so as not to prevent or interfere with usual, customary, and necessary business activities.

Sec. ___. Section 155A.19, subsection 1, paragraph f, Code 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

f. Change of legal name or doing-business-as name.

Sec. ___. Section 155A.19, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3. A wholesaler shall report in writing to the board, pursuant to its rules, the following:

a. Permanent closing or discontinuation of wholesale distributions into this state.

b. Change of ownership.

c. Change of location.

d. Change of the wholesaler's responsible individual.

e. Change of legal name or doing-business-as name.

f. Theft or significant loss of any controlled substance on discovery of the theft or loss.

g. Disasters, accidents, and emergencies that may affect the strength, purity, or labeling of drugs, medications, devices, or other materials used in the diagnosis or the treatment of injury, illness, and disease.

h. Other information or activities as required by rule.

Sec. ___. Section 155A.20, subsection 1, Code 2005, is amended to read as follows:

1. A person, other than a pharmacy or wholesaler licensed under this chapter, shall not display in or on any store, internet site, or place of business, nor use in any advertising or promotional literature, communication, or representation, the word or words: "apothecary", "drug", "drug store", or "pharmacy", either in English or any other language, any other word or combination of words of the same or similar meaning, or any graphic representation in a manner that would mislead the public ~~unless it is a pharmacy or drug wholesaler licensed under this chapter~~.

Sec. ___. Section 155A.21, Code 2005, is amended to read as follows:

155A.21 UNLAWFUL POSSESSION OF PRESCRIPTION DRUG OR DEVICE -- PENALTY.

1. A person found in possession of a drug or device limited to dispensation by prescription, unless the drug or device was so lawfully dispensed, commits a serious misdemeanor.

2. Subsection 1 does not apply to a licensed pharmacy, licensed wholesaler, physician, veterinarian, dentist, podiatric physician, therapeutically certified optometrist, advanced registered nurse practitioner, physician assistant, a nurse acting under the direction of a physician, or the board of pharmacy examiners, its officers, agents, inspectors, and representatives, nor to a common carrier, manufacturer's representative, or messenger when transporting the drug or device in the same unbroken package in which the drug or device was delivered to that person for transportation.

Sec. ___. Section 155A.23, Code 2005, is amended to read as follows:

155A.23 PROHIBITED ACTS.

A person shall not perform or cause the performance of or aid and abet any of the following acts:

1. ~~Obtain or attempt~~ Obtaining or attempting to obtain a prescription drug or device or ~~procure or attempt~~ procuring or attempting to procure the administration of a prescription drug or device by:

a. ~~Fraud~~ Engaging in fraud, deceit, misrepresentation, or subterfuge.

b. ~~Forgery or alteration of~~ Forging or altering a written, electronic, or facsimile prescription or ~~of~~ any written, electronic, or facsimile order.

c. ~~Concealment of~~ Concealing a material fact.

d. ~~Use of~~ Using a false name or ~~the~~ giving ~~of~~ a false address.

2. Willfully ~~make~~ making a false statement in any prescription, report, or record required by this chapter.

3. For the purpose of obtaining a prescription drug or device, falsely ~~assume~~ assuming the title of or ~~claim~~ claiming to be a manufacturer, wholesaler, pharmacist, pharmacy owner, physician, dentist, podiatric physician, veterinarian, or other authorized person.

4. ~~Make or utter~~ Making or uttering any false or forged oral, written, electronic, or facsimile prescription or oral, written, electronic, or facsimile order.

5. ~~Affix any false or forged label to a package or receptacle containing prescription drugs~~ Forging, counterfeiting, simulating, or falsely representing any drug or device without the authority of the

1 manufacturer, or using any mark, stamp, tag, label, or
2 other identification device without the authorization
3 of the manufacturer.
4 6. Manufacturing, repackaging, selling,
5 delivering, or holding or offering for sale any drug
6 or device that is adulterated, misbranded,
7 counterfeit, suspected of being counterfeit, or that
8 has otherwise been rendered unfit for distribution.
9 7. Adulterating, misbranding, or counterfeiting
10 any drug or device.
11 8. Receiving any drug or device that is
12 adulterated, misbranded, stolen, obtained by fraud or
13 deceit, counterfeit, or suspected of being
14 counterfeit, and delivering or proffering delivery of
15 such drug or device for pay or otherwise.
16 9. Adulterating, mutilating, destroying,
17 obliterating, or removing the whole or any part of the
18 labeling of a drug or device or committing any other
19 act with respect to a drug or device that results in
20 the drug or device being misbranded.
21 10. Purchasing or receiving a drug or device from
22 a person who is not licensed to distribute the drug or
23 device to that purchaser or recipient.
24 11. Selling or transferring a drug or device to a
25 person who is not authorized under the law of the
26 jurisdiction in which the person receives the drug or
27 device to purchase or possess the drug or device from
28 the person selling or transferring the drug or device.
29 12. Failing to maintain or provide records as
30 required by this chapter, chapter 124, or rules of the
31 board.
32 13. Providing the board or any of its
33 representatives or any state or federal official with
34 false or fraudulent records or making false or
35 fraudulent statements regarding any matter within the
36 scope of this chapter, chapter 124, or rules of the
37 board.
38 14. Distributing at wholesale any drug or device
39 that meets any of the following conditions:
40 a. The drug or device was purchased by a public or
41 private hospital or other health care entity.
42 b. The drug or device was donated or supplied at a
43 reduced price to a charitable organization.
44 c. The drug or device was purchased from a person
45 not licensed to distribute the drug or device.
46 d. The drug or device was stolen or obtained by
47 fraud or deceit.
48 15. Failing to obtain a license or operating
49 without a valid license when a license is required
50 pursuant to this chapter or chapter 147.

1 16. Engaging in misrepresentation or fraud in the
2 distribution of a drug or device.
3 17. Distributing a drug or device to a patient
4 without a prescription drug order or medication order
5 from a practitioner licensed by law to use or
6 prescribe the drug or device.
7 18. Distributing a drug or device that was
8 previously dispensed by a pharmacy or distributed by a
9 practitioner except as provided by rules of the board.
10 19. Failing to report any prohibited act.
11 Information communicated to a physician in an
12 unlawful effort to procure a prescription drug or
13 device or to procure the administration of a
14 prescription drug shall not be deemed a privileged
15 communication.
16 Subsections 6 and 7 shall not apply to the
17 wholesale distribution by a manufacturer of a
18 prescription drug or device that has been delivered
19 into commerce pursuant to an application approved by
20 the federal food and drug administration.
21 Sec. ___. Section 155A.24, Code 2005, is amended
22 to read as follows:
23 155A.24 PENALTIES.
24 1. ~~A~~ Except as otherwise provided in this section,
25 a person who violates a provision of section 155A.23
26 or who sells or offers for sale, gives away, or
27 administers to another person any prescription drug or
28 device in violation of this chapter commits a public
29 offense and shall be punished as follows:
30 a. If the prescription drug is a controlled
31 substance, the person shall be punished pursuant to
32 ~~section 124.401, subsection 1, and section 124.411~~
33 chapter 124, division IV.
34 b. If the prescription drug is not a controlled
35 substance, the person, upon conviction of a first
36 offense, is guilty of a serious misdemeanor. For a
37 second offense, or if in case of a first offense the
38 offender previously has been convicted of any
39 violation of the laws of the United States or of any
40 state, territory, or district thereof relating to
41 prescription drugs or devices, the offender is guilty
42 of an aggravated misdemeanor. For a third or
43 subsequent offense or if in the case of a second
44 offense the offender previously has been convicted two
45 or more times in the aggregate of any violation of the
46 laws of the United States or of any state, territory,
47 or district thereof relating to prescription drugs or
48 devices, the offender is guilty of a class "D" felony.
49 2. A person who violates any provision of this
50 chapter by selling, giving away, or administering any

1 prescription drug or device to a minor is guilty of a
2 class "C" felony.
3 3. A wholesaler who, with intent to defraud or
4 deceive, fails to deliver to another person, when
5 required by rules of the board, complete and accurate
6 pedigree concerning a drug prior to transferring the
7 drug to another person is guilty of a class "C"
8 felony.
9 4. A wholesaler who, with intent to defraud or
10 deceive, fails to acquire, when required by rules of
11 the board, complete and accurate pedigree concerning a
12 drug prior to obtaining the drug from another person
13 is guilty of a class "C" felony.
14 5. A wholesaler who knowingly destroys, alters,
15 conceals, or fails to maintain, as required by rules
16 of the board, complete and accurate pedigree
17 concerning any drug in the person's possession is
18 guilty of a class "C" felony.
19 6. A wholesaler who is in possession of pedigree
20 documents required by rules of the board, and who
21 knowingly fails to authenticate the matters contained
22 in the documents as required, and who nevertheless
23 distributes or attempts to further distribute drugs is
24 guilty of a class "C" felony.
25 7. A wholesaler who, with intent to defraud or
26 deceive, falsely swears or certifies that the person
27 has authenticated any documents related to the
28 wholesale distribution of drugs or devices is guilty
29 of a class "C" felony.
30 8. A wholesaler who knowingly forges,
31 counterfeits, or falsely creates any pedigree, who
32 falsely represents any factual matter contained in any
33 pedigree, or who knowingly omits to record material
34 information required to be recorded in a pedigree is
35 guilty of a class "C" felony.
36 9. A wholesaler who knowingly purchases or
37 receives drugs or devices from a person not authorized
38 to distribute drugs or devices in wholesale
39 distribution is guilty of a class "C" felony.
40 10. A wholesaler who knowingly sells, barters,
41 brokers, or transfers a drug or device to a person not
42 authorized to purchase the drug or device under the
43 jurisdiction in which the person receives the drug or
44 device in a wholesale distribution is guilty of a
45 class "C" felony.
46 11. A person who knowingly manufacturers, sells,
47 or delivers, or who possesses with intent to sell or
48 deliver, a counterfeit, misbranded, or adulterated
49 drug or device is guilty of the following:
50 a. If the person manufactures or produces a

1 counterfeit, misbranded, or adulterated drug or
2 device; or if the quantity of a counterfeit,
3 misbranded, or adulterated drug or device being sold,
4 delivered, or possessed with intent to sell or deliver
5 exceeds one thousand units or dosages; or if the
6 violation is a third or subsequent violation of this
7 subsection, the person is guilty of a class "C"
8 felony.
9 b. If the quantity of a counterfeit, misbranded,
10 or adulterated drug or device being sold, delivered,
11 or possessed with intent to sell or deliver exceeds
12 one hundred units or dosages but does not exceed one
13 thousand units or dosages; or if the violation is a
14 second or subsequent violation of this subsection, the
15 person is guilty of a class "D" felony.
16 c. All other violations of this subsection shall
17 constitute an aggravated misdemeanor.
18 12. A person who knowingly forges, counterfeits,
19 or falsely creates any label for a drug or device or
20 who falsely represents any factual matter contained on
21 any label of a drug or device is guilty of a class "C"
22 felony.
23 13. A person who knowingly possesses, purchases,
24 or brings into the state a counterfeit, misbranded, or
25 adulterated drug or device is guilty of the following:
26 a. If the quantity of a counterfeit, misbranded,
27 or adulterated drug or device being possessed,
28 purchased, or brought into the state exceeds one
29 hundred units or dosages; or if the violation is a
30 second or subsequent violation of this subsection, the
31 person is guilty of a class "D" felony.
32 b. All other violations of this subsection shall
33 constitute an aggravated misdemeanor.
34 14. This section does not prevent a licensed
35 practitioner of medicine, dentistry, podiatry,
36 nursing, veterinary medicine, optometry, or pharmacy
37 from acts necessary in the ethical and legal
38 performance of the practitioner's profession.
39 15. Subsections 1 and 2 shall not apply to a
40 parent or legal guardian administering, in good faith,
41 a prescription drug or device to a child of the parent
42 or a child for whom the individual is designated a
43 legal guardian.
44 Sec. ___. NEW SECTION. 155A.40 CRIMINAL HISTORY
45 RECORD CHECKS.
46 1. The board may request and obtain,
47 notwithstanding section 692.2, subsection 5, criminal
48 history data for any applicant for an initial or
49 renewal license or registration issued pursuant to
50 this chapter or chapter 147, any applicant for

1 reinstatement of a license or registration issued
2 pursuant to this chapter or chapter 147, or any
3 licensee or registrant who is being monitored as a
4 result of a board order or agreement resolving an
5 administrative disciplinary action, for the purpose of
6 evaluating the applicant's, licensee's, or
7 registrant's eligibility for licensure, registration,
8 or suitability for continued practice of the
9 profession. Criminal history data may be requested
10 for all owners, managers, and principal employees of a
11 pharmacy or drug wholesaler licensed pursuant to this
12 chapter. The board shall adopt rules pursuant to
13 chapter 17A to implement this section. The board
14 shall inform the applicant, licensee, or registrant of
15 the criminal history requirement and obtain a signed
16 waiver from the applicant, licensee, or registrant
17 prior to submitting a criminal history data request.
18 2. A request for criminal history data shall be
19 submitted to the department of public safety, division
20 of criminal investigation and bureau of
21 identification, pursuant to section 692.2, subsection
22 1. The board may also require such applicants,
23 licensees, and registrants to provide a full set of
24 fingerprints, in a form and manner prescribed by the
25 board. Such fingerprints may be submitted to the
26 federal bureau of investigation through the state
27 criminal history repository for a national criminal
28 history check. The board may authorize alternate
29 methods or sources for obtaining criminal history
30 record information. The board may, in addition to any
31 other fees, charge and collect such amounts as may be
32 incurred by the board, the department of public
33 safety, or the federal bureau of investigation in
34 obtaining criminal history information. Amounts
35 collected shall be considered repayment receipts as
36 defined in section 8.2.
37 3. Criminal history information relating to an
38 applicant, licensee, or registrant obtained by the
39 board pursuant to this section is confidential. The
40 board may, however, use such information in a license
41 or registration denial proceeding. In a disciplinary
42 proceeding, such information shall constitute
43 investigative information under section 272C.6,
44 subsection 4, and may be used only for purposes
45 consistent with that section.
46 4. This section shall not apply to a manufacturer
47 of a prescription drug or device that has been
48 delivered into commerce pursuant to an application
49 approved by the federal food and drug administration.
50 Sec. ___. NEW SECTION. 155A.41 CONTINUOUS

1 QUALITY IMPROVEMENT PROGRAM.
2 1. Each licensed pharmacy shall implement or
3 participate in a continuous quality improvement
4 program to review pharmacy procedures in order to
5 identify methods for addressing pharmacy medication
6 errors and for improving patient use of medications
7 and patient care services. Under the program, each
8 pharmacy shall assess its practices and identify areas
9 for quality improvement.
10 2. The board shall adopt rules for the
11 administration of a continuous quality improvement
12 program. The rules shall address all of the
13 following:
14 a. Program requirements and procedures.
15 b. Program record and reporting requirements.
16 c. Any other provisions necessary for the
17 administration of a program."
18 2. By renumbering as necessary.

**By** JEFF ANGELO
ROBERT E. DVORSKY
JEFF LAMBERTI
STEVEN H. WARNSTADT
JOE BOLKCOM
CHARLES W. LARSON, JR.
JEFF DANIELSON
KEITH A. KREIMAN

**S-3309** FILED MAY 6, 2005
ADOPTED

S-3310

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 21, by inserting after line 8, the
4 following:
5 "Sec. ___. Section 441.21, subsection 4, Code
6 2005, is amended by adding the following new
7 unnumbered paragraph:
8 NEW UNNUMBERED PARAGRAPH. For valuations
9 established as of January 1, 2005, January 1, 2006,
10 and January 1, 2007, the percentage of actual value,
11 as equalized by the director of revenue as provided in
12 section 441.49, at which residential property shall be
13 assessed shall not be less than forty-seven and nine
14 hundred sixty-four thousandths percent. If the
15 percentage of actual value of residential property as
16 calculated in accordance with this subsection is less
17 than forty-seven and nine hundred sixty-four
18 thousandths percent, the director of revenue shall
19 increase the percentage to forty-seven and nine
20 hundred sixty-four thousandths percent. For purposes
21 of determining valuations in the assessment year
22 beginning January 1, 2006, January 1, 2007, and
23 January 1, 2008, the percentage for the prior year as
24 determined under this subsection before adjustment
25 under this paragraph, if necessary, shall be the
26 percentage used in making the calculation of the
27 dividend for that assessment year."
28 2. Page 24, by inserting after line 17, the
29 following:
30 "Sec. ___. REPORT TO GENERAL ASSEMBLY. The
31 department of revenue and the department of management
32 shall jointly study the effects of implementation of
33 section 441.21, subsection 4, as amended in this
34 division of this Act. The departments shall prepare a
35 fiscal analysis detailing the effects of
36 implementation of section 441.21, subsection 4, as
37 amended in this division of this Act on different
38 classes of property and on different property
39 taxpayers. The fiscal analysis shall include, but not
40 be limited to, a comparison of property valuations and
41 property tax rates for the fiscal years beginning July
42 1, 2006, July 1, 2007, and July 1, 2008, had section
43 441.21, subsection 4, as amended in this division of
44 this Act, not been implemented and property valuations
45 and property tax rates for those fiscal years under
46 the provisions of section 441.21, subsection 4, as
47 amended in this division of this Act. The departments
48 shall report their findings to the standing committees
49 on local government and on ways and means in the
50 general assembly by January 15, 2009.

1 Sec. ___. RETROACTIVE APPLICABILITY. The section
2 amending section 441.21, subsection 4, in this
3 division of this Act applies retroactively to January
4 1, 2005."
5 3. By renumbering as necessary.

**By** THOMAS RIELLY

**S-3310** FILED MAY 6, 2005
WITHDRAWN

S-3311

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 26, the
4 following:
5 "DIVISION
6 PORT AUTHORITIES
7 Sec. ___. Section 12.30, subsection 1, paragraph
8 a, Code 2005, is amended to read as follows:
9 a. "Authority" means a department, or public or
10 quasi-public instrumentality of the state including,
11 but not limited to, the authority created under
12 chapter 12E, 16, 16A, 175, 257C, 261A, or 327I, which
13 has the power to issue obligations, except that
14 "authority" does not include the state board of
15 regents or the Iowa finance authority to the extent it
16 acts pursuant to chapter 260C. "Authority" also
17 includes a port authority created under chapter 28J.
18 Sec. ___. NEW SECTION. 28J.1 DEFINITIONS.
19 As used in this chapter, unless the context
20 otherwise requires:
21 1. "Authorized purposes" means an activity that
22 enhances, fosters, aids, provides, or promotes
23 transportation, economic development, housing,
24 recreation, education, governmental operations,
25 culture, or research within the jurisdiction of a port
26 authority.
27 2. "Board" means the board of directors of a port
28 authority established pursuant to section 28J.2.
29 3. "City" means the same as defined in section
30 362.2.
31 4. "Construction" means alteration, creation,
32 development, enlargement, erection, improvement,
33 installation, reconstruction, remodeling, and
34 renovation.
35 5. "Contracting governmental agency" means any
36 governmental agency or taxing district of the state
37 that, by action of its legislative authority, enters
38 into an agreement with a port authority pursuant to
39 section 28J.17.
40 6. "Cost" as applied to a port authority facility
41 means any of the following:
42 a. The cost of construction contracts, land,
43 rights-of-way, property rights, easements, franchise
44 rights, and interests required for acquisition or
45 construction.
46 b. The cost of demolishing or removing any
47 buildings or structures on land, including the cost of
48 acquiring any lands to which those buildings or
49 structures may be moved.
50 c. The cost of diverting a highway, interchange of

a highway, and access roads to private property, including the cost of land or easements, and relocation of a facility of a utility company or common carrier.

d. The cost of machinery, furnishings, equipment, financing charges, interest prior to and during construction and for no more than twelve months after completion of construction, engineering, and expenses of research and development with respect to a facility.

e. Legal and administrative expenses, plans, specifications, surveys, studies, estimates of cost and revenues, engineering services, and other expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing a facility.

f. The interest upon the revenue bonds and pledge orders during the period or estimated period of construction and for twelve months thereafter, or for twelve months after the acquisition date, reserve funds as the port authority deems advisable in connection with a facility and the issuance of port authority revenue bonds and pledge orders.

g. The costs of issuance of port authority revenue bonds and pledge orders.

h. The cost of diverting a rail line, rail spur track, or rail spur track switch, including the cost of land or easements, and relocation of a facility of a utility company or common carrier.

i. The cost of relocating an airport's runways, terminals, and related facilities including the cost of land or easements, and relocation of a facility of a utility company or common carrier.

7. "Facility" or "port authority facility" means real or personal property owned, leased, or otherwise controlled or financed by a port authority and related to or in furtherance of one or more authorized purposes.

8. "Governmental agency" means a department, division, or other unit of state government of this state or any other state, city, county, township, or other governmental subdivision, or any other public corporation or agency created under the laws of this state, any other state, the United States, or any department or agency thereof, or any agency, commission, or authority established pursuant to an interstate compact or agreement or combination thereof.

9. "Person" means the same as defined in section 4.1.

1 10. "Pledge order" means a promise to pay out of
2 the net revenues of a port authority, which is
3 delivered to a contractor or other person in payment
4 of all or part of the cost of a facility.
5 11. "Political subdivision" means a city, county,
6 city-county consolidation, or multicounty
7 consolidation, or combination thereof.
8 12. "Political subdivisions comprising the port
9 authority" means the political subdivisions which
10 created or participated in the creation of the port
11 authority under section 28J.2, or which joined an
12 existing port authority under section 28J.4.
13 13. "Port authority" means an entity created
14 pursuant to section 28J.2.
15 14. "Port authority revenue bonds" means revenue
16 bonds and revenue refunding bonds issued pursuant to
17 section 28J.21.
18 15. "Public roads" means all public highways,
19 roads, and streets in this state, whether maintained
20 by the state or by a county or city.
21 16. "Revenues" means rental fees and other charges
22 received by a port authority for the use or services
23 of a facility, a gift or grant received with respect
24 to a facility, moneys received with respect to the
25 lease, sublease, sale, including installment sale or
26 conditional sale, or other disposition of a facility,
27 moneys received in repayment of and for interest on
28 any loans made by the port authority to a person or
29 governmental agency, proceeds of port authority
30 revenue bonds for payment of principal, premium, or
31 interest on the bonds authorized by the port
32 authority, proceeds from any insurance, condemnation,
33 or guarantee pertaining to the financing of the
34 facility, and income and profit from the investment of
35 the proceeds of port authority revenue bonds or of any
36 revenues.
37 Sec. ___. NEW SECTION. 28J.2 CREATION AND POWERS
38 OF PORT AUTHORITY.
39 1. Two or more political subdivisions may create a
40 port authority under this chapter by resolution. If a
41 proposal to create a port authority receives a
42 favorable majority of the members of the elected
43 legislative body of the political subdivision, the
44 port authority is created at the time provided in the
45 resolution. The jurisdiction of a port authority
46 includes the territory described in section 28J.8.
47 2. A port authority created pursuant to this
48 section may sue and be sued, complain, and defend in
49 its name and has the powers and jurisdiction
50 enumerated in this chapter.

1 3. At the time a port authority is created
2 pursuant to this section, the political subdivisions
3 comprising the port authority may restrict the powers
4 granted the port authority pursuant to this chapter by
5 specifically adopting such restrictions in the
6 resolution creating the port authority.
7 4. The political subdivisions comprising the port
8 authority whose powers have been restricted pursuant
9 to subsection 3 may at any time adopt a resolution to
10 grant additional powers to the port authority, so long
11 as the additional powers do not exceed the powers
12 permitted under this chapter.
13 Sec. ___. NEW SECTION. 28J.3 APPROPRIATION AND
14 EXPENDITURE OF PUBLIC FUNDS -- DISSOLUTION.
15 1. The political subdivisions comprising a port
16 authority may appropriate and expend public funds to
17 finance or subsidize the operation and authorized
18 purposes of the port authority. A port authority
19 shall control tax revenues allocated to the facilities
20 the port authority administers and all revenues
21 derived from the operation of the port authority, the
22 sale of its property, interest on investments, or from
23 any other source related to the port authority.
24 2. All revenues received by the port authority
25 shall be held in a separate fund in a manner agreed to
26 by the political subdivisions comprising the port
27 authority. Revenues may be paid out only at the
28 direction of the board of directors of the port
29 authority.
30 3. A port authority shall comply with section
31 331.341, subsections 1, 2, 4, and 5, and section
32 331.342, when contracting for public improvements.
33 4. Subject to making due provisions for payment
34 and performance of any outstanding obligations, the
35 political subdivisions comprising the port authority
36 may dissolve the port authority, and transfer the
37 property of the port authority to the political
38 subdivisions comprising the port authority in a manner
39 agreed upon between the political subdivisions
40 comprising the port authority prior to the dissolution
41 of the port authority.
42 Sec. ___. NEW SECTION. 28J.4 JOINING AN EXISTING
43 PORT AUTHORITY.
44 1. A political subdivision which is contiguous to
45 either a political subdivision which participated in
46 the creation of the port authority or a political
47 subdivision which proposes to join the port authority
48 at the same time which is contiguous to a political
49 subdivision which participated in the creation of the
50 port authority may join the port authority by

1 resolution.
2 2. If more than one such political subdivision
3 proposes to join the port authority at the same time,
4 the resolution of each such political subdivision
5 shall designate the political subdivisions which are
6 to be so joined.
7 3. Any territory or city not included in a port
8 authority which is annexed to a city included within
9 the jurisdiction of a port authority shall, on such
10 annexation and without further proceedings, be annexed
11 to and be included in the jurisdiction of the port
12 authority.
13 4. Before a political subdivision is joined to a
14 port authority, other than by annexation to a city,
15 the political subdivisions comprising the port
16 authority shall agree upon the terms and conditions
17 pursuant to which such political subdivision is to be
18 joined.
19 5. For the purpose of this chapter, such political
20 subdivision shall be considered to have participated
21 in the creation of the port authority, except that the
22 initial term of any director of the port authority
23 appointed by a joining political subdivision shall be
24 four years.
25 6. After each resolution proposing a political
26 subdivision to join a port authority has become
27 effective and the terms and conditions of joining the
28 port authority have been agreed to, the board of
29 directors of the port authority shall by resolution
30 either accept or reject the proposal. Such proposal
31 to join a port authority shall be effective upon
32 adoption of the resolution by the board of directors
33 of the port authority and thereupon the jurisdiction
34 of the port authority includes the joining political
35 subdivision.
36 Sec. ___. NEW SECTION. 28J.5 MEMBERSHIP OF BOARD
37 OF DIRECTORS.
38 1. A port authority created pursuant to section
39 28J.2 shall be governed by a board of directors.
40 Members of a board of directors of a port authority
41 shall be divided among the political subdivisions
42 comprising the port authority in such proportions as
43 the political subdivisions may agree and shall be
44 appointed by the respective political subdivision's
45 elected legislative body.
46 2. The number of directors comprising the board
47 shall be determined by agreement between the political
48 subdivisions comprising the port authority, and which
49 number may be changed by resolution of the political
50 subdivisions comprising the port authority.

1 3. A majority of the directors shall have been
2 qualified electors of, or owned a business or been
3 employed in, one or more political subdivisions within
4 the area of the jurisdiction of the port authority for
5 a period of at least three years preceding
6 appointment.
7 4. The directors of a port authority first
8 appointed shall serve staggered terms. Thereafter
9 each successor director shall serve for a term of four
10 years, except that any person appointed to fill a
11 vacancy shall be appointed to only the unexpired term.
12 A director is eligible for reappointment.
13 5. The board may provide procedures for the
14 removal of a director who fails to attend three
15 consecutive regular meetings of the board. If a
16 director is so removed, a successor shall be appointed
17 for the remaining term of the removed director in the
18 same manner provided for the original appointment.
19 The appointing body may at any time remove a director
20 appointed by it for misfeasance, nonfeasance, or
21 malfeasance in office.
22 6. The board may adopt bylaws and shall elect one
23 director as chairperson and one director as vice
24 chairperson, designate terms of office, and appoint a
25 secretary who need not be a director.
26 7. A majority of the board of directors shall
27 constitute a quorum for the purpose of holding a
28 meeting of the board. The affirmative vote of a
29 majority of a quorum shall be necessary for any action
30 taken by the port authority unless the board
31 determines that a greater number of affirmative votes
32 is necessary for particular actions to be taken by the
33 port authority. A vacancy in the membership of the
34 board shall not impair the rights of a quorum to
35 exercise all the rights and perform all the duties of
36 the port authority.
37 8. Each director shall be entitled to receive from
38 the port authority such sum of money as the board may
39 determine as compensation for services as a director
40 and reimbursement for reasonable expenses in the
41 performance of official duties.
42 Sec. ___. NEW SECTION. 28J.6 CIVIL IMMUNITY OF
43 DIRECTORS.
44 A director of a port authority shall not be
45 personally liable for any monetary damages that arise
46 from actions taken in the performance of the
47 director's official duties, except for acts or
48 omissions that are not in good faith or that involve
49 intentional misconduct, a knowing violation of law, or
50 any transaction from which the director derived an

1 improper personal benefit.
2 Sec. ___. NEW SECTION. 28J.7 EMPLOYEES, ADVISORY
3 BOARD, PEACE OFFICERS.
4 1. A port authority shall employ and fix the
5 qualifications, duties, and compensation of any
6 employees and enter into contracts for any services
7 that may be required to conduct the business of the
8 port authority, and may appoint an advisory board,
9 which shall serve without compensation.
10 2. An employee of a port authority is a public
11 employee for the purposes of collective bargaining
12 under chapter 20.
13 3. a. A port authority may provide for the
14 administration and enforcement of the laws of the
15 state by employing peace officers who shall have all
16 the powers conferred by law on peace officers of this
17 state with regard to the apprehension of violators
18 upon all property under its control within and without
19 the port authority. The peace officers may seek the
20 assistance of other appropriate law enforcement
21 officers to enforce its rules and maintain order.
22 b. Peace officers employed by a port authority
23 shall meet all requirements as police officers
24 appointed under the civil service law of chapter 400
25 and shall participate in the retirement system
26 established by chapter 411.
27 c. Peace officers employed by a port authority
28 shall serve as a peace officer force with respect to
29 the property, grounds, buildings, equipment, and
30 facilities under the control of the port authority, to
31 prevent hijacking of aircraft or watercraft, protect
32 the property of the authority and the property of
33 others located thereon, suppress nuisances and
34 disturbances and breaches of the peace, and enforce
35 laws and the rules of the port authority for the
36 preservation of good order. Peace officers are vested
37 with the same powers of arrest as peace officers under
38 section 804.7.
39 4. If an employee of a political subdivision
40 comprising the port authority is transferred to a
41 comparable position with the port authority, the
42 employee is entitled to suffer no loss in pay,
43 pension, fringe benefits, or other benefits and shall
44 be entitled to a comparable rank and grade as the
45 employee's prior position. Sick leave, longevity, and
46 vacation time accrued to such employees shall be
47 credited to them as employees of the port authority.
48 All rights and accruals of such employees as members
49 of the Iowa public employees' retirement system
50 pursuant to chapter 97B and the retirement system for

1 police officers pursuant to chapter 411 shall remain
2 in force and shall be automatically transferred to the
3 port authority.
4 Sec. ___. NEW SECTION. 28J.8 AREA OF
5 JURISDICTION.
6 1. The area of jurisdiction of a port authority
7 shall include all of the territory of the political
8 subdivisions comprising the port authority and, if the
9 port authority owns or leases a railroad line or
10 airport, the territory on which the railroad's line,
11 terminals, and related facilities or the airport's
12 runways, terminals, and related facilities are
13 located, regardless of whether the territory is
14 located in the political subdivisions comprising the
15 port authority.
16 2. A political subdivision that has created a port
17 authority or joined an existing port authority shall
18 not be included in any other port authority.
19 Sec. ___. NEW SECTION. 28J.9 POWERS OF PORT
20 AUTHORITY.
21 A port authority may exercise all of the following
22 powers:
23 1. Adopt bylaws for the regulation of the port
24 authority's affairs and the conduct of the port
25 authority's business.
26 2. Adopt an official seal.
27 3. Maintain a principal office and branch offices
28 within the port authority's jurisdiction.
29 4. Acquire, construct, furnish, equip, maintain,
30 repair, sell, exchange, lease, lease with an option to
31 purchase, convey interests in real or personal
32 property, and operate any property of the port
33 authority in connection with transportation,
34 recreational, governmental operations, or cultural
35 activities in furtherance of an authorized purpose.
36 5. Straighten, deepen, and improve any channel,
37 river, stream, or other watercourse or way which may
38 be necessary or proper in the development of the
39 facilities of the port authority.
40 6. Make available the use or services of any
41 facility of the port authority to any person or
42 governmental agency.
43 7. Issue bonds or pledge orders pursuant to the
44 requirements and limitations in section 28J.21.
45 8. Issue port authority revenue bonds beyond the
46 limit of bonded indebtedness provided by law, payable
47 solely from revenues as provided in section 28J.21,
48 for the purpose of providing funds to pay the costs of
49 any facility or facilities of the port authority or
50 parts thereof.

9. Apply to the proper authorities of the United States for the right to establish, operate, and maintain foreign trade zones and establish, operate, and maintain foreign trade zones and to acquire, exchange, sell, lease to or from, lease with an option to purchase, or operate facilities, land, or property in accordance with the federal Foreign Trade Zones Act, 19 U.S.C. § 81a-81u.

10. Enjoy and possess the same legislative and executive rights, privileges, and powers granted cities under chapter 364 and counties under chapter 331, including the exercise of police power but excluding the power to levy taxes.

11. Maintain such funds as it considers necessary and adhere to the public funds investment standards of chapter 12B, as applicable.

12. Direct port authority agents or employees, after at least five days' written notice, to enter upon lands within the port authority's jurisdiction to make surveys and examinations preliminary to location and construction of works for the port authority, without liability of the port authority or its agents or employees except for actual damages.

13. Promote, advertise, and publicize the port authority and its facilities, and provide information to shippers and other commercial interests.

14. Adopt bylaws, not in conflict with state or federal law, necessary or incidental to the performance of the duties of and the execution of the powers of the port authority under this chapter.

15. Do any of the following in regard to interests in real or personal property, including machinery, equipment, plants, factories, offices, and other structures and facilities related to or in furtherance of any authorized purpose as the board in its sole discretion may determine:

a. Loan money to any person or governmental agency for the acquisition, construction, furnishing, or equipping of the property.

b. Acquire, construct, maintain, repair, furnish, or equip the property.

c. Sell to, exchange with, lease, convey other interests in, or lease with an option to purchase the same or any lesser interest in the property to the same or any other person or governmental agency.

d. Guarantee the obligations of any person or governmental agency.

e. Accept and hold as consideration for the conveyance of property or any interest therein such property or interests therein as the board may

1 determine, notwithstanding any restrictions that apply
2 to the investment of funds by a port authority.
3 16. Sell, lease, or convey other interests in real
4 and personal property, and grant easements or rights-
5 of-way over property of the port authority. The board
6 shall specify the consideration and terms for the
7 sale, lease, or conveyance of other interests in real
8 and personal property. A determination made by the
9 board under this subsection shall be conclusive. The
10 sale, lease, or conveyance may be made without
11 advertising and the receipt of bids.
12 17. Enter into an agreement with a political
13 subdivision comprising the port authority for the
14 political subdivision to exercise its right of eminent
15 domain pursuant to chapters 6A and 6B on behalf of the
16 port authority. However, a condemnation exercised on
17 behalf of a port authority pursuant to this subsection
18 shall not take or disturb property or a facility
19 belonging to a governmental agency, utility company,
20 or common carrier, which property or facility is
21 necessary and convenient in the operation of the
22 governmental agency, utility company, or common
23 carrier, unless provision is made for the restoration,
24 relocation, or duplication of such property or
25 facility, or upon the election of the governmental
26 agency, utility company, or common carrier, for the
27 payment of compensation, if any, at the sole cost of
28 the port authority, provided that both of the
29 following apply:
30 a. If a restoration or duplication proposed to be
31 made under this subsection involves a relocation of
32 the property or facility, the new facility and
33 location shall be of at least comparable utilitarian
34 value and effectiveness and shall not impair the
35 ability of the utility company or common carrier to
36 compete in its original area of operation.
37 b. If a restoration or duplication made under this
38 subsection involves a relocation of the property or
39 facility, the port authority shall acquire no interest
40 or right in or to the appropriated property or
41 facility, until the relocated property or facility is
42 available for use and until marketable title thereto
43 has been transferred to the utility company or common
44 carrier.
45 18. a. Make and enter into all contracts and
46 agreements and execute all instruments necessary or
47 incidental to the performance of the duties of and the
48 execution of powers of the port authority under this
49 chapter.
50 b. Except as provided in paragraph "c", when the

1 cost of a contract for the construction of a building,
2 structure, or other improvement undertaken by a port
3 authority involves an expenditure exceeding twenty-
4 five thousand dollars, and the port authority is the
5 contracting entity, the port authority shall make a
6 written contract after notice calling for bids for the
7 award of the contract has been given by publication
8 twice, with at least seven days between publications,
9 in a newspaper of general circulation in the area of
10 the port authority. Each such contract shall be let
11 to the lowest responsive and responsible bidder.
12 Every contract shall be accompanied by or shall refer
13 to plans and specifications for the work to be done,
14 prepared for and approved by the port authority, and
15 signed by an authorized officer of the port authority
16 and by the contractor.
17 c. The board of directors may provide criteria for
18 the negotiation and award without competitive bidding
19 of any contract as to which the port authority is the
20 contracting entity for the construction of any
21 building or structure or other improvement under any
22 of the following circumstances:
23 (1) A real and present emergency exists that
24 threatens damage or injury to persons or property of
25 the port authority or other persons, provided that a
26 statement specifying the nature of the emergency that
27 is the basis for the negotiation and award of a
28 contract without competitive bidding shall be signed
29 by the officer of the port authority that executes
30 that contract at the time of the contract's execution
31 and shall be attached to the contract.
32 (2) A commonly recognized industry or other
33 standard or specification does not exist and cannot
34 objectively be articulated for the improvement.
35 (3) The contract is for any energy conservation
36 measure as defined in section 7D.34.
37 (4) With respect to material to be incorporated
38 into the improvement, only a single source or supplier
39 exists for the material.
40 (5) A single bid is received by the port authority
41 after complying with the provisions of paragraph "b".
42 d. (1) If a contract is to be negotiated and
43 awarded without competitive bidding for the reason set
44 forth in paragraph "c", subparagraph (2), the port
45 authority shall publish a notice calling for technical
46 proposals at least twice, with at least seven days
47 between publications, in a newspaper of general
48 circulation in the area of the port authority. After
49 receipt of the technical proposals, the port authority
50 may negotiate with and award a contract for the

1 improvement to the person making the proposal
2 considered to be the most advantageous to the port
3 authority.
4 (2) If a contract is to be negotiated and awarded
5 without competitive bidding for the reason set forth
6 in paragraph "c", subparagraph (4), construction
7 activities related to the incorporation of the
8 material into the improvement also may be provided
9 without competitive bidding by the source or supplier
10 of that material.
11 e. A purchase, exchange, sale, lease, lease with
12 an option to purchase, conveyance of other interests
13 in, or other contract with a person or governmental
14 agency that pertains to the acquisition, construction,
15 maintenance, repair, furnishing, equipping, or
16 operation of any real or personal property, related to
17 or in furtherance of economic development and the
18 provision of adequate housing, shall be made in such
19 manner and subject to such terms and conditions as may
20 be determined in the board's discretion. This
21 paragraph applies to all contracts that are subject to
22 this section, notwithstanding any other provision of
23 law that might otherwise apply, including a
24 requirement of notice, competitive bidding or
25 selection, or for the provision of security. However,
26 this paragraph shall not apply to a contract secured
27 exclusively by or to be paid exclusively from the
28 general revenues of the port authority. For the
29 purposes of this paragraph, any revenues derived by
30 the port authority under a lease or other agreement
31 that, by its terms, contemplates the use of amounts
32 payable under the agreement either to pay the costs of
33 the improvement that is the subject of the contract or
34 to secure obligations of the port authority issued to
35 finance costs of such improvement, are excluded from
36 general revenues.
37 19. Employ managers, superintendents, and other
38 employees and retain or contract with consulting
39 engineers, financial consultants, accounting experts,
40 architects, attorneys, and any other consultants and
41 independent contractors as are necessary in the port
42 authority's judgment to carry out this chapter, and
43 fix the compensation thereof. All expenses thereof
44 shall be payable from any available funds of the port
45 authority or from funds appropriated for that purpose
46 by the political subdivisions comprising the port
47 authority.
48 20. Receive and accept from a governmental agency
49 grants and loans for the construction of a port
50 authority facility, for research and development with

1 respect to a port authority facility, or any other
2 authorized purpose, and receive and accept aid or
3 contributions from any source of moneys, property,
4 labor, or other things of value, to be held, used, and
5 applied only for the purposes for which the grants,
6 loans, aid, or contributions are made.
7 21. Engage in research and development with
8 respect to a port authority facility.
9 22. Purchase fire and extended coverage and
10 liability insurance for a port authority facility and
11 for the principal office and branch offices of the
12 port authority, insurance protecting the port
13 authority and its officers and employees against
14 liability for damage to property or injury to or death
15 of persons arising from its operations, and any other
16 insurance the port authority may agree to provide
17 under a resolution authorizing port authority revenue
18 bonds, pledge orders, or in any trust agreement
19 securing the same.
20 23. Charge, alter, and collect rental fees and
21 other charges for the use or services of a port
22 authority facility as provided in section 28J.16.
23 24. Perform all acts necessary or proper to carry
24 out the powers expressly granted in this chapter.
25 Sec. ___. NEW SECTION. 28J.10 PARTICIPATION OF
26 PRIVATE ENTERPRISE.
27 The port authority shall foster and encourage the
28 participation of private enterprise in the development
29 of the port authority facilities to the fullest extent
30 practicable in the interest of limiting the necessity
31 of construction and operation of the facilities by the
32 port authority.
33 Sec. ___. NEW SECTION. 28J.11 PROVISIONS DO NOT
34 AFFECT OTHER LAWS OR POWERS.
35 This chapter shall not do any of the following:
36 1. Impair a provision of law directing the payment
37 of revenues derived from public property into sinking
38 funds or dedicating those revenues to specific
39 purposes.
40 2. Impair the powers of a political subdivision to
41 develop or improve a port and terminal facility except
42 as restricted by section 28J.15.
43 3. Enlarge, alter, diminish, or affect in any way,
44 a lease or conveyance made, or action taken prior to
45 the creation of a port authority under section 28J.2
46 by a city or a county.
47 4. Impair or interfere with the exercise of a
48 permit for the removal of sand or gravel, or other
49 similar permits issued by a governmental agency.
50 5. Impair or contravene applicable federal

1 regulations.
2 Sec. ___. NEW SECTION. 28J.12 CONVEYANCE, LEASE,
3 OR EXCHANGE OF PUBLIC PROPERTY.
4 A port authority may convey or lease, lease with an
5 option to purchase, or exchange with any governmental
6 agency or other port authority without competitive
7 bidding and on mutually agreeable terms, any personal
8 or real property, or any interest therein.
9 Sec. ___. NEW SECTION. 28J.13 ANNUAL BUDGET --
10 USE OF RENTS AND CHARGES.
11 The board shall annually prepare a budget for the
12 port authority. Revenues received by the port
13 authority shall be used for the general expenses of
14 the port authority and to pay interest, amortization,
15 and retirement charges on money borrowed. Except as
16 provided in section 28J.26, if there remains, at the
17 end of any fiscal year, a surplus of such funds after
18 providing for the above uses, the board shall pay such
19 surplus into the general funds of the political
20 subdivisions comprising the port authority as agreed
21 to by the subdivisions.
22 Sec. ___. NEW SECTION. 28J.14 SECRETARY TO
23 FURNISH BOND -- DEPOSIT AND DISBURSEMENT OF FUNDS.
24 Before receiving any revenues, the secretary of a
25 port authority shall furnish a bond in such amount as
26 shall be determined by the port authority with
27 sureties satisfactory to the port authority, and all
28 funds coming into the hands of the secretary shall be
29 deposited by the secretary to the account of the port
30 authority in one or more such depositories as shall be
31 qualified to receive deposits of county funds, which
32 deposits shall be secured in the same manner as county
33 funds are required to be secured. A disbursement
34 shall not be made from such funds except in accordance
35 with policies and procedures adopted by the port
36 authority.
37 Sec. ___. NEW SECTION. 28J.15 LIMITATION ON
38 CERTAIN POWERS OF POLITICAL SUBDIVISIONS.
39 A political subdivision creating or participating
40 in the creation of a port authority in accordance with
41 section 28J.2 shall not, during the time the port
42 authority is in existence, exercise the rights and
43 powers provided in chapters 28A, 28K, and 384 relating
44 to the political subdivision's authority over a port,
45 wharf, dock, harbor or other facility substantially
46 similar to that political subdivision's authority
47 under a port authority granted under this chapter.
48 Sec. ___. NEW SECTION. 28J.16 RENTALS OR CHARGES
49 FOR USE OR SERVICES OF FACILITIES -- AGREEMENTS WITH
50 GOVERNMENTAL AGENCIES.

1 1. a. A port authority may charge, alter, and
2 collect rental fees or other charges for the use or
3 services of any port authority facility and contract
4 for the use or services of a facility, and fix the
5 terms, conditions, rental fees, or other charges for
6 the use or services.
7 b. If the services are furnished in the
8 jurisdiction of the port authority by a utility
9 company or a common carrier, the port authority's
10 charges for the services shall not be less than the
11 charges established for the same services furnished by
12 a utility company or common carrier in the port
13 authority jurisdiction.
14 c. The rental fees or other charges shall not be
15 subject to supervision or regulation by any other
16 authority, commission, board, bureau, or governmental
17 agency of the state and the contract may provide for
18 acquisition of all or any part of the port authority
19 facility for such consideration payable over the
20 period of the contract or otherwise as the port
21 authority determines to be appropriate, but subject to
22 the provisions of any resolution authorizing the
23 issuance of port authority revenue bonds or any trust
24 agreement securing the bonds.
25 d. A governmental agency that has power to
26 construct, operate, and maintain a port authority
27 facility may enter into a contract or lease with a
28 port authority for the use or services of a port
29 authority facility as may be agreed to by the port
30 authority and the governmental agency.
31 2. a. A governmental agency may cooperate with
32 the port authority in the acquisition or construction
33 of a port authority facility and shall enter into such
34 agreements with the port authority as may be
35 appropriate, which shall provide for contributions by
36 the parties in a proportion as may be agreed upon and
37 other terms as may be mutually satisfactory to the
38 parties including the authorization of the
39 construction of the facility by one of the parties
40 acting as agent for all of the parties and the
41 ownership and control of the facility by the port
42 authority to the extent necessary or appropriate.
43 b. A governmental agency may provide funds for the
44 payment of any contribution required under such
45 agreements by the levy of taxes or assessments if
46 otherwise authorized by the laws governing the
47 governmental agency in the construction of the type of
48 port authority facility provided for in the
49 agreements, and may pay the proceeds from the
50 collection of the taxes or assessments; or the

1 governmental agency may issue bonds or notes, if
2 authorized by law, in anticipation of the collection
3 of the taxes or assessments, and may pay the proceeds
4 of the bonds or notes to the port authority pursuant
5 to such agreements.
6 c. A governmental agency may provide the funds for
7 the payment of a contribution by the appropriation of
8 moneys or, if otherwise authorized by law, by the
9 issuance of bonds or notes and may pay the
10 appropriated moneys or the proceeds of the bonds or
11 notes to the port authority pursuant to such
12 agreements.
13 3. When the contribution of any governmental
14 agency is to be made over a period of time from the
15 proceeds of the collection of special assessments, the
16 interest accrued and to accrue before the first
17 installment of the assessments is collected, which is
18 payable by the governmental agency on the contribution
19 under the terms and provisions of the agreements,
20 shall be treated as part of the cost of the
21 improvement for which the assessments are levied, and
22 that portion of the assessments that is collected in
23 installments shall bear interest at the same rate as
24 the governmental agency is obligated to pay on the
25 contribution under the terms and provisions of the
26 agreements and for the same period of time as the
27 contribution is to be made under the agreements. If
28 the assessment or any installment thereof is not paid
29 when due, it shall bear interest until the payment
30 thereof at the same rate as the contribution and the
31 county auditor shall annually place on the tax list
32 and duplicate the interest applicable to the
33 assessment and the penalty thereon as otherwise
34 authorized by law.
35 4. A governmental agency, pursuant to a favorable
36 vote in an election regarding issuing bonds to provide
37 funds to acquire, construct, or equip, or provide real
38 estate and interests in real estate for a port
39 authority facility, whether or not the governmental
40 agency at the time of the election had the authority
41 to pay the proceeds from the bonds or notes issued in
42 anticipation of the bonds to the port authority as
43 provided in this section, may issue such bonds or
44 notes in anticipation of the issuance of the bonds and
45 pay the proceeds of the bonds or notes to the port
46 authority in accordance with an agreement with the
47 port authority; provided, that the legislative
48 authority of the governmental agency finds and
49 determines that the port authority facility to be
50 acquired or constructed in cooperation with the

1 governmental agency will serve the same public purpose
2 and meet substantially the same public need as the
3 facility otherwise proposed to be acquired or
4 constructed by the governmental agency with the
5 proceeds of the bonds and notes.
6 Sec. ___. NEW SECTION. 28J.17 CONTRACTS,
7 ARRANGEMENTS, AND AGREEMENTS.
8 1. a. A port authority may enter into a contract
9 or other arrangement with a person, railroad, utility
10 company, corporation, governmental agency including
11 sewerage, drainage, conservation, conservancy, or
12 other improvement districts in this or other states,
13 or the governments or agencies of foreign countries as
14 may be necessary or convenient for the exercise of the
15 powers granted by this chapter. The port authority
16 may purchase, lease, or acquire land or other property
17 in any county of this state and in adjoining states
18 for the accomplishment of authorized purposes of the
19 port authority, or for the improvement of the harbor
20 and port facilities over which the port authority may
21 have jurisdiction including development of port
22 facilities in adjoining states. The authority granted
23 in this section to enter into contracts or other
24 arrangements with the federal government includes the
25 power to enter into any contracts, arrangements, or
26 agreements that may be necessary to hold and save
27 harmless the United States from damages due to the
28 construction and maintenance by the United States of
29 work the United States undertakes.
30 b. A political subdivision that has participated
31 in the creation of a port authority, or is within, or
32 adjacent to a political subdivision that is within the
33 jurisdiction of a port authority, may enter into an
34 agreement with the port authority to accomplish any of
35 the authorized purposes of the port authority. The
36 agreement may set forth the extent to which the port
37 authority shall act as the agent of the political
38 subdivision.
39 2. A port authority may enter into an agreement
40 with a contracting governmental agency, whereby the
41 port authority or the contracting governmental agency
42 undertakes, and is authorized by the port authority or
43 a contracting governmental agency, to exercise any
44 power, perform any function, or render any service, on
45 behalf of the port authority or a contracting
46 governmental agency, which the port authority or the
47 contracting governmental agency is authorized to
48 exercise, perform, or render.
49 Sec. ___. NEW SECTION. 28J.18 REVENUE BONDS ARE
50 LAWFUL INVESTMENTS.

1 Port authority revenue bonds issued pursuant to
2 this chapter are lawful investments of banks, credit
3 unions, trust companies, savings and loan
4 associations, deposit guaranty associations, insurance
5 companies, trustees, fiduciaries, trustees or other
6 officers having charge of the bond retirement funds or
7 sinking funds of port authorities and governmental
8 agencies, and taxing districts of this state, the
9 pension and annuity retirement system, the Iowa public
10 employees' retirement system, the police and fire
11 retirement systems under chapters 410 and 411, a
12 revolving fund of a governmental agency of this state,
13 and are acceptable as security for the deposit of
14 public funds under chapter 12C.
15 Sec. ___. NEW SECTION. 28J.19 PROPERTY TAX
16 EXEMPTION.
17 A port authority shall be exempt from and shall not
18 be required to pay taxes on real property belonging to
19 a port authority that is used exclusively for an
20 authorized purpose as provided in section 427.1,
21 subsection 34.
22 Sec. ___. NEW SECTION. 28J.20 LOANS FOR
23 ACQUISITION OR CONSTRUCTION OF FACILITY -- SALE OF
24 FACILITY -- POWER TO ENCUMBER PROPERTY.
25 1. With respect to the financing of a facility for
26 an authorized purpose, under an agreement whereby the
27 person to whom the facility is to be leased,
28 subleased, or sold, or to whom a loan is to be made
29 for the facility, is to make payments sufficient to
30 pay all of the principal of, premium, and interest on
31 the port authority revenue bonds issued for the
32 facility, the port authority, in addition to other
33 powers under this chapter, may do any of the
34 following:
35 a. Make loans for the acquisition or construction
36 of the facility to such person upon such terms as the
37 port authority may determine or authorize including
38 secured or unsecured loans, and enter into loan
39 agreements and other agreements, accept notes and
40 other forms of obligation to evidence such
41 indebtedness and mortgages, liens, pledges,
42 assignments, or other security interests to secure
43 such indebtedness, which may be prior or subordinate
44 to or on a parity with other indebtedness,
45 obligations, mortgages, pledges, assignments, other
46 security interests, or liens or encumbrances, and take
47 actions considered appropriate to protect such
48 security and safeguard against losses, including,
49 without limitation, foreclosure and the bidding upon
50 and purchase of property upon foreclosure or other

1 sale.
2 b. Sell the facility under terms as the port
3 authority may determine, including sale by conditional
4 sale or installment sale, under which title may pass
5 prior to or after completion of the facility or
6 payment or provisions for payment of all principal of,
7 premium, and interest on the revenue bonds, or at any
8 other time provided in the agreement pertaining to the
9 sale, and including sale under an option to purchase
10 at a price which may be a nominal amount or less than
11 true value at the time of purchase.
12 c. Grant a mortgage, lien, or other encumbrance
13 on, or pledge or assignment of, or other security
14 interest with respect to, all or any part of the
15 facility, revenues, reserve funds, or other funds
16 established in connection with the bonds or with
17 respect to a lease, sublease, sale, conditional sale
18 or installment sale agreement, loan agreement, or
19 other agreement pertaining to the lease, sublease,
20 sale, or other disposition of a facility or pertaining
21 to a loan made for a facility, or a guaranty or
22 insurance agreement made with respect thereto, or an
23 interest of the port authority therein, or any other
24 interest granted, assigned, or released to secure
25 payments of the principal of, premium, or interest on
26 the bonds or to secure any other payments to be made
27 by the port authority, which mortgage, lien,
28 encumbrance, pledge, assignment, or other security
29 interest may be prior or subordinate to or on a parity
30 with any other mortgage, assignment, or other security
31 interest, or lien or encumbrance.
32 d. Contract for the acquisition or construction of
33 the facility or any part thereof and for the leasing,
34 subleasing, sale, or other disposition of the facility
35 in a manner determined by the port authority in its
36 sole discretion, without necessity for competitive
37 bidding or performance bonds.
38 e. Make appropriate provision for adequate
39 maintenance of the facility.
40 2. With respect to a facility referred to in this
41 section, the authority granted by this section is
42 cumulative and supplementary to all other authority
43 granted in this chapter. The authority granted by
44 this section does not alter or impair a similar
45 authority granted elsewhere in this chapter for or
46 with respect to other facilities.
47 Sec. ___. NEW SECTION. 28J.21 ISSUANCE OF
48 REVENUE AND REFUNDING BONDS.
49 1. A port authority may issue revenue bonds and
50 pledge orders payable solely from the net revenues of

1 the port authority including the revenues generated
2 from a facility pursuant to section 28J.20. The
3 revenue bonds may be issued in such principal amounts
4 as, in the opinion of the port authority, are
5 necessary for the purpose of paying the cost of one or
6 more port authority facilities or parts thereof.
7 2. a. The resolution to issue the bonds must be
8 adopted at a regular or special meeting of the board
9 called for that purpose by a majority of the total
10 number of members of the board. The board shall fix a
11 date, time, and place of meeting at which it proposes
12 to take action, and give notice by publication in the
13 manner directed in section 331.305. The notice must
14 include a statement of the date, time, and place of
15 the meeting, the maximum amount of the proposed
16 revenue bonds, the purpose for which the revenue bonds
17 will be issued, and the net revenues to be used to pay
18 the principal and interest on the revenue bonds.
19 b. At the meeting the board shall receive oral or
20 written objections from any resident or property owner
21 within the jurisdiction of the port authority. After
22 all objections have been received and considered, the
23 board, at the meeting or a date to which it is
24 adjourned, may take additional action for the issuance
25 of the bonds or abandon the proposal to issue bonds.
26 Any resident or property owner within the jurisdiction
27 of the port authority may appeal a decision of the
28 board to take additional action in district court
29 within fifteen days after the additional action is
30 taken, but the additional action of the board is final
31 and conclusive unless the court finds that the board
32 exceeded its authority.
33 3. The board may sell revenue bonds or pledge
34 orders at public or private sale and may deliver
35 revenue bonds and pledge orders to the contractors,
36 sellers, and other persons furnishing materials and
37 services constituting a part of the cost of the port
38 authority facility in payment therefor. The pledge of
39 any net revenues of a port authority is valid and
40 effective as to all persons including but not limited
41 to other governmental bodies when it becomes valid and
42 effective between the port authority and the holders
43 of the revenue bonds or pledge orders.
44 4. A revenue bond is valid and binding for all
45 purposes if it bears the signatures or a facsimile of
46 the signature of the officer designated by the port
47 authority. Port authority revenue bonds may bear
48 dates, bear interest at rates not exceeding those
49 permitted by chapter 74A, bear interest at a variable
50 rate or rates changing from time to time in accordance

with a base or formula, mature in one or more installments, be in registered form, carry registration and conversion privileges, be payable as to principal and interest at times and places, be subject to terms of redemption prior to maturity with or without premium, and be in one or more denominations, all as provided by the resolution of the board authorizing their issuance. The resolution may also prescribe additional provisions, terms, conditions, and covenants which the port authority deems advisable, consistent with this chapter, including provisions for creating and maintaining reserve funds, the issuance of additional revenue bonds ranking on a parity with such revenue bonds and additional revenue bonds junior and subordinate to such revenue bonds, and that such revenue bonds shall rank on a parity with or be junior and subordinate to any revenue bonds which may be then outstanding. Port authority revenue bonds are a contract between the port authority and holders and the resolution is a part of the contract.

5. The port authority may issue revenue bonds to refund revenue bonds, pledge orders, and other obligations which are by their terms payable from the net revenues of the same port authority, at lower, the same, or higher rates of interest. A port authority may sell refunding revenue bonds at public or private sale and apply the proceeds to the payment of the obligations being refunded, and may exchange refunding revenue bonds in payment and discharge of the obligations being refunded. The principal amount of refunding revenue bonds may exceed the principal amount of the obligations being refunded to the extent necessary to pay any premium due on the call of the obligations being refunded and to fund interest accrued and to accrue on the obligations being refunded.

6. The final maturity of any original issue of port authority revenue bonds shall not exceed forty years from the date of issue, and the final maturity of port authority revenue bonds that refund outstanding port authority revenue bonds shall not be later than the later of forty years from the date of issue of the original issue of bonds or the date by which it is expected, at the time of issuance of the refunding bonds, that the useful life of all of the property refinanced with the proceeds of the bonds, other than interests in land, will have expired. Such bonds or notes shall be executed in a manner as the resolution may provide.

1 7. The port authority may contract to pay an
2 amount not to exceed ninety-five percent of the
3 engineer's estimated value of the acceptable work
4 completed during the month to the contractor at the
5 end of each month for work, material, or services.
6 Payment may be made in warrants drawn on any fund from
7 which payment for the work may be made. If such funds
8 are depleted, anticipatory warrants may be issued
9 bearing a rate of interest not exceeding that
10 permitted by chapter 74A even if income from the sale
11 of bonds which have been authorized and are applicable
12 to the public improvement takes place after the fiscal
13 year in which the warrants are issued. If the port
14 authority arranges for the private sale of
15 anticipatory warrants, the warrants may be sold and
16 the proceeds used to pay the contractor. The warrants
17 may also be used to pay other persons furnishing
18 services constituting a part of the cost of the public
19 improvement.
20 8. Port authority revenue bonds, pledge orders,
21 and warrants issued under this section are negotiable
22 instruments.
23 9. The board may issue pledge orders pursuant to a
24 resolution adopted by a majority of the total number
25 of supervisors, at a regular or special meeting,
26 ordering their issuance and delivery in payment for
27 all or part of the cost of a project. Pledge orders
28 may bear interest at rates not exceeding those
29 permitted by chapter 74A.
30 10. Except as provided in section 28J.20, the
31 physical properties of the port authority shall not be
32 pledged or mortgaged to secure the payment of revenue
33 bonds, pledge orders, or refunding bonds, or the
34 interest thereon.
35 11. The members of the board of the port authority
36 and any person executing the bonds or pledge orders
37 shall not be personally liable on the bonds or pledge
38 orders or be subject to any personal liability or
39 accountability by reason of the issuance thereof.
40 Sec. ___. NEW SECTION. 28J.22 BONDS MAY BE
41 SECURED BY TRUST AGREEMENT.
42 1. In the discretion of the port authority, a port
43 authority revenue bond issued under this chapter may
44 be secured by a trust agreement between the port
45 authority and a corporate trustee that may be any
46 trust company or bank having the powers of a trust
47 company within this or any other state.
48 2. The trust agreement may pledge or assign
49 revenues of the port authority to be received for
50 payment of the revenue bonds. The trust agreement or

1 any resolution providing for the issuance of revenue
2 bonds may contain provisions for protecting and
3 enforcing the rights and remedies of the bondholders
4 as are reasonable and proper and not in violation of
5 law, including covenants setting forth the duties of
6 the port authority in relation to the acquisition of
7 property, the construction, improvement, maintenance,
8 repair, operation, and insurance of the port authority
9 facility in connection with which the bonds are
10 authorized, the rentals or other charges to be imposed
11 for the use or services of any port authority
12 facility, the custody, safeguarding, and application
13 of all moneys, and provisions for the employment of
14 consulting engineers in connection with the
15 construction or operation of any port authority
16 facility.
17 3. A bank or trust company incorporated under the
18 laws of this state, that may act as the depository of
19 the proceeds of bonds or of revenues, shall furnish
20 any indemnifying bonds or may pledge any securities
21 that are required by the port authority. The trust
22 agreement may set forth the rights and remedies of the
23 bondholders and of the trustee, and may restrict the
24 individual right of action by bondholders as is
25 customary in trust agreements or trust indentures
26 securing similar bonds. The trust agreement may
27 contain any other provisions that the port authority
28 determines reasonable and proper for the security of
29 the bondholders. All expenses incurred in carrying
30 out the provisions of the trust agreement may be
31 treated as a part of the cost of the operation of the
32 port authority facility.
33 Sec. ___. NEW SECTION. 28J.23 REMEDY OF HOLDER
34 OF BOND OR COUPON -- STATUTE OF LIMITATIONS.
35 1. The sole remedy for a breach or default of a
36 term of a port authority revenue bond or pledge order
37 is a proceeding in law or in equity by suit, action,
38 or mandamus to enforce and compel performance of the
39 duties required by this chapter and of the terms of
40 the resolution authorizing the issuance of the revenue
41 bonds or pledge orders, or to obtain the appointment
42 of a receiver to take possession of and operate the
43 port authority, and to perform the duties required by
44 this chapter and the terms of the resolution
45 authorizing the issuance of the port authority revenue
46 bonds or pledge orders.
47 2. An action shall not be brought which questions
48 the legality of port authority revenue bonds or pledge
49 orders, the power of a port authority to issue revenue
50 bonds or pledge orders, or the effectiveness of any

1 proceedings relating to the authorization and issuance
2 of revenue bonds or pledge orders, from and after
3 fifteen days from the time the bonds or pledge orders
4 are ordered issued by the port authority.
5 Sec. ___. NEW SECTION. 28J.24 BONDS ARE PAYABLE
6 SOLELY FROM REVENUES AND FUNDS PLEDGED FOR PAYMENT.
7 Port authority revenue bonds and pledge orders
8 issued under this chapter do not constitute a debt, or
9 a pledge of the faith and credit, of the state or a
10 political subdivision of the state, and the holders or
11 owners of the bonds or pledge orders shall not have
12 taxes levied by the state or by a taxing authority of
13 a governmental agency of the state for the payment of
14 the principal of or interest on the bonds or pledge
15 orders, but the bonds and pledge orders are payable
16 solely from the revenues and funds pledged for their
17 payment as authorized by this chapter, unless the
18 notes are issued in anticipation of the issuance of
19 bonds or pledge orders or the bonds and pledge orders
20 are refunded by refunding bonds issued under this
21 chapter, which bonds, pledge orders, or refunding
22 bonds shall be payable solely from revenues and funds
23 pledged for their payment as authorized by those
24 sections. All of the bonds or pledge orders shall
25 contain a statement to the effect that the bonds or
26 pledge orders, as to both principal and interest, are
27 not debts of the state or a political subdivision of
28 the state, but are payable solely from revenues and
29 funds pledged for their payment.
30 Sec. ___. NEW SECTION. 28J.25 FUNDS AND PROPERTY
31 HELD IN TRUST -- USE AND DEPOSIT OF FUNDS.
32 All revenues, funds, properties, and assets
33 acquired by the port authority under this chapter,
34 whether as proceeds from the sale of port authority
35 revenue bonds, pledge orders, or as revenues, shall be
36 held in trust for the purposes of carrying out the
37 port authority's powers and duties, shall be used and
38 reused as provided in this chapter, and shall at no
39 time be part of other public funds. Such funds,
40 except as otherwise provided in a resolution
41 authorizing port authority revenue bonds or in a trust
42 agreement securing the same, or except when invested
43 pursuant to section 28J.26, shall be kept in
44 depositories selected by the port authority in the
45 manner provided in chapter 12C, and the deposits shall
46 be secured as provided in that chapter. The
47 resolution authorizing the issuance of revenue bonds
48 or pledge orders, or the trust agreement securing such
49 bonds or pledge orders shall provide that any officer
50 to whom, or any bank or trust company to which, such

1 moneys are paid shall act as trustee of such moneys
2 and hold and apply them for the purposes hereof,
3 subject to such conditions as this chapter and such
4 resolution or trust agreement provide.
5 Sec. ___. NEW SECTION. 28J.26 INVESTMENT OF
6 EXCESS FUNDS.
7 1. If a port authority has surplus funds after
8 making all deposits into all funds required by the
9 terms, covenants, conditions, and provisions of
10 outstanding revenue bonds, pledge orders, and
11 refunding bonds which are payable from the revenues of
12 the port authority and after complying with all of the
13 requirements, terms, covenants, conditions, and
14 provisions of the proceedings and resolutions pursuant
15 to which revenue bonds, pledge orders, and refunding
16 bonds are issued, the board may transfer the surplus
17 funds to any other fund of the port authority in
18 accordance with this chapter and chapter 12C, provided
19 that a transfer shall not be made if it conflicts with
20 any of the requirements, terms, covenants, conditions,
21 or provisions of a resolution authorizing the issuance
22 of revenue bonds, pledge orders, or other obligations
23 which are payable from the revenues of the port
24 authority which are then outstanding.
25 2. This section does not prohibit or prevent the
26 board from using funds derived from any other source
27 which may be properly used for such purpose, to pay a
28 part of the cost of a facility.
29 Sec. ___. NEW SECTION. 28J.27 CHANGE IN LOCATION
30 OF PUBLIC WAY, RAILROAD, OR UTILITY FACILITY --
31 VACATION OF HIGHWAY.
32 1. When a port authority changes the location of
33 any portion of any public road, railroad, or utility
34 facility in connection with the construction of a port
35 authority facility, the port authority shall
36 reconstruct at such location as the governmental
37 agency having jurisdiction over such road, railroad,
38 or utility facility finds most favorable. The
39 construction of such road, railroad, or utility
40 facility shall be of substantially the same type and
41 in as good condition as the original road, railroad,
42 or utility facility. The cost of such reconstruction,
43 relocation, or removal and any damage incurred in
44 changing the location of any such road, railroad, or
45 utility facility shall be paid by the port authority
46 as a part of the cost of the port authority facility.
47 2. When the port authority finds it necessary that
48 a public highway or portion of a public highway be
49 vacated by reason of the acquisition or construction
50 of a port authority facility, the port authority may

1 request the director of the department of
2 transportation to vacate such highway or portion in
3 accordance with chapter 306 if the highway or portion
4 to be vacated is on the state highway system, or, if
5 the highway or portion to be vacated is under the
6 jurisdiction of a county, the port authority shall
7 petition the board of supervisors of that county, in
8 the manner provided in chapter 306, to vacate such
9 highway or portion. The port authority shall pay to
10 the county, as a part of the cost of such port
11 authority facility, any amounts required to be
12 deposited with a court in connection with proceedings
13 for the determination of compensation and damages and
14 all amounts of compensation and damages finally
15 determined to be payable as a result of such vacation.
16 3. The port authority may adopt bylaws for the
17 installation, construction, maintenance, repair,
18 renewal, relocation, and removal of railroad or
19 utility facilities in, on, over, or under any port
20 authority facility. Whenever the port authority
21 determines that it is necessary that any such facility
22 installed or constructed in, on, over, or under
23 property of the port authority pursuant to such bylaws
24 be relocated, the utility company owning or operating
25 such facility shall relocate or remove them in
26 accordance with the order of the port authority. The
27 cost and expenses of such relocation or removal,
28 including the cost of installing such facility in a
29 new location, the cost of any lands, or any rights or
30 interests in lands, and any other rights, acquired to
31 accomplish such relocation or removal, shall be paid
32 by the port authority as a part of the cost of the
33 port authority facility. In case of any such
34 relocation or removal of such facilities, the railroad
35 or utility company owning or operating them, its
36 successors, or assigns may maintain and operate such
37 facilities, with the necessary appurtenances, in the
38 new location in, on, over, or under the property of
39 the port authority for as long a period and upon the
40 same terms as the railroad or utility company had the
41 right to maintain and operate such facilities in their
42 former location.
43 Sec. ___. NEW SECTION. 28J.28 FINAL ACTIONS TO
44 BE RECORDED -- ANNUAL REPORT -- CONFIDENTIALITY OF
45 INFORMATION.
46 1. All final actions of the port authority shall
47 be recorded and the records of the port authority
48 shall be open to public examination and copying
49 pursuant to chapter 22. Not later than the first day
50 of April every year, a port authority shall submit a

1 report to the director of the department of economic
2 development detailing the projects and activities of
3 the port authority during the previous calendar year.
4 The report shall include, but not be limited to, all
5 aspects of those projects and activities, including
6 the progress and status of the projects and their
7 costs, and any other information the director
8 determines should be included in the report.
9 2. Financial and proprietary information,
10 including trade secrets, submitted to a port authority
11 or the agents of a port authority, in connection with
12 the relocation, location, expansion, improvement, or
13 preservation of a business or nonprofit corporation is
14 not a public record subject to chapter 22. Any other
15 information submitted under those circumstances is not
16 a public record subject to chapter 22 until there is a
17 commitment in writing to proceed with the relocation,
18 location, expansion, improvement, or preservation.
19 3. Notwithstanding chapter 21, the board of
20 directors of a port authority, when considering
21 information that is not a public record under this
22 section, may close a meeting during the consideration
23 of that information pursuant to a vote of the majority
24 of the directors present on a motion stating that such
25 information is to be considered. Other matters shall
26 not be considered during the closed session.
27 Sec. ___. NEW SECTION. 28J.29 PROVISIONS TO BE
28 LIBERALLY CONSTRUED.
29 This chapter shall be liberally construed to effect
30 the chapter's purposes.
31 Sec. ___. Section 427.1, Code 2005, is amended by
32 adding the following new subsection:
33 NEW SUBSECTION. 34. PORT AUTHORITY PROPERTY. The
34 property of a port authority created pursuant to
35 section 28J.2, when devoted to public use and not held
36 for pecuniary profit."
37 2. Title page, line 2, by inserting after the
38 word "fees," the following: "revenue bonds, and
39 property tax exemptions,".
40 3. By renumbering as necessary.

**By** THOMAS G. COURTNEY
EUGENE S. FRAISE

**S-3311** FILED MAY 6, 2005
WITHDRAWN

## HOUSE FILE 882

**S-3312**

1 Amend the amendment, S-3306, to House File 882, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. By striking page 26, line 39, through page 28,
5 line 26.

**By** HUBERT M. HOUSER
JOHN PUTNEY
DAVID JOHNSON
JAMES HAHN
JAMES SEYMOUR
DR. JOE SENG
ROGER STEWART

**S-3312** FILED MAY 6, 2005
LOST

## HOUSE FILE 882

**S-3313**

1 Amend the amendment, S-3272, to House File 882, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by striking lines 14 through 27, and
5 inserting the following:
6 "The appropriations made for the fiscal year
7 beginning July 1, 2005, to the department of public
8 safety in 2005 Iowa Acts, House File 811, if enacted,
9 are reduced by an amount equivalent to the
10 appropriation made in this section."

**By** EUGENE S. FRAISE

**S-3313** FILED MAY 6, 2005
WITHDRAWN

## HOUSE FILE 882

**S-3314**

1 Amend the amendment, S-3306, to House File 882, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 16, by inserting after line 22 the
5 following:
6 "___. Page 35, by striking lines 3 through 5."
7 2. Page 16, by inserting after line 39 the
8 following:
9 "dd. Two members selected by the Iowa state
10 association of county supervisors."
11 3. Page 16, by striking line 42.
12 4. By renumbering, redesignating, and correcting
13 internal references as necessary.

**By** HERMAN C. QUIRMBACH
MAGGIE TINSMAN

**S-3314** FILED MAY 6, 2005
LOST

## HOUSE FILE 882

**S-3315**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 2, by inserting after line 3 the
4 following:
5 "Sec. ___. ALLOWED GROWTH FUNDING DISTRIBUTION.
6 Notwithstanding 2004 Iowa Acts, chapter 1175, section
7 173, subsection 3, if enacted by 2005 Iowa Acts, House
8 File 825, the amount used under paragraph "b" of that
9 subsection for calculation of a distribution amount
10 for eligible counties from the per capita expenditure
11 target pool created in the property tax relief fund in
12 accordance with the requirements in section 426B.5,
13 subsection 1, for the fiscal year beginning July 1,
14 2005, shall be $23,925,724.
15 Sec. ___. 2004 Iowa Acts, chapter 1175, section
16 173, subsection 5, if enacted by 2005 Iowa Acts, House
17 File 825, is amended to read as follows:
18 5. The total withholding amounts applied pursuant
19 to subsection 4 shall be equal to a withholding target
20 amount of ~~$4,659,749~~ $9,418,362. If the department of
21 human services determines that the amount to be
22 withheld in accordance with subsection 4 is not equal
23 to the target withholding amount, the department shall
24 adjust the withholding factors listed in subsection 4
25 as necessary to achieve the withholding target amount.
26 However, in making such adjustments to the withholding
27 factors, the department shall strive to minimize
28 changes to the withholding factors for those ending
29 balance percentage ranges that are lower than others
30 and shall not adjust the zero withholding factor or
31 the inflation adjustment percentage specified in
32 subsection 4, paragraph "a"."
33 2. By renumbering as necessary.

**By** JACK HATCH

**S-3315** FILED MAY 6, 2005
LOST

## HOUSE FILE 882

**S-3316**

1 Amend the amendment, S-3306, to House File 882, as
2 amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, line 42, by striking the words
5 "department of human services" and inserting the
6 following: "Iowa department of public health".

**By** ROBERT E. DVORSKY
JEFF ANGELO

**S-3316** FILED MAY 6, 2005
ADOPTED

EIGHTY FIRST GENERAL ASSEMBLY
2005 REGULAR SESSION
DAILY

# SENATE CLIP SHEET

MAY 17, 2005

## HOUSE FILE 882

**S-3322**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 48, by inserting after line 26 the
4 following:
5 "DIVISION
6 LOTTERY AUTHORITY VENDING MACHINES
7 Sec. ___. Section 99G.30, subsection 4, Code 2005,
8 is amended to read as follows:
9 4. Except for the authority, a retailer shall only
10 sell lottery products on the licensed premises and not
11 through the mail or by technological means except as
12 the authority may provide or authorize and subject to
13 the requirements of section 99G.30A.
14 Sec. ___. NEW SECTION. 99G.30A MONITOR VENDING
15 MACHINES -- LIMITATION.
16 1. The authority shall authorize and provide no
17 more than a total of one thousand two hundred monitor
18 vending machines to retailers in this state.
19 2. For purposes of this section, a "monitor
20 vending machine" means a vending machine or other
21 similar electronic device that includes a video
22 monitor and audio capabilities that dispenses or
23 prints and dispenses lottery tickets to a purchaser
24 that have been determined to be winning or losing
25 tickets by a predetermined pool drawing machine prior
26 to the dispensing of the tickets.
27 Sec. ___. EFFECTIVE DATE. This division of this
28 Act, concerning lottery authority vending machines,
29 being deemed of immediate importance, takes effect
30 upon enactment."
31 2. Title page, line 2, by inserting after the
32 word "matters" the following: "and providing
33 limitations on lottery authority monitor vending
34 machines,".
35 3. By renumbering as necessary.

**By** MIKE CONNOLLY

**S-3322** FILED MAY 16, 2005

**SENATE AMENDMENT TO**
**HOUSE FILE 882**

**H-1703**

1 Amend House File 882, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 4, by inserting after line 22, the
4 following:
5 "Sec. ___. Section 8.8, Code 2005, is amended to
6 read as follows:
7 8.8 SPECIAL OLYMPICS FUND -- APPROPRIATION.
8 A special olympics fund is created in the office of
9 the treasurer of state under the control of the
10 department of management. There is appropriated
11 annually from the general fund of the state to the
12 special olympics fund ~~thirty~~ fifty thousand dollars
13 for distribution to one or more organizations which
14 administer special olympics programs benefiting the
15 citizens of Iowa with disabilities."
16 2. Page 5, by inserting after line 11 the
17 following:
18 "Sec. ___. DEPARTMENT OF CULTURAL AFFAIRS --
19 NONPROFIT MUSIC ENTITIES. There is appropriated from
20 the general fund of the state to the department of
21 cultural affairs for the fiscal year beginning July 1,
22 2005, and ending June 30, 2006, fifty thousand dollars
23 for purposes of providing two twenty-five thousand
24 dollar grants to nonprofit music entities. A
25 recipient of a grant shall be a nonprofit entity that
26 is formed with members including local musicians,
27 music promoters, representatives of music venues and
28 businesses, community leaders, and live music
29 enthusiasts who discuss, assess, and expedite the
30 implementation of a unified music agenda for a local
31 community and aggressively advocates, sponsors, and
32 develops an independent, progressive live music
33 economy in a local community."
34 3. Page 5, line 20, by striking the figure
35 "100,000" and inserting the following: "160,000".
36 4. Page 5, by striking lines 21 through 29.
37 5. Page 5, lines 31 and 32, by striking the words
38 "state department of transportation" and inserting the
39 following: "homeland security and emergency
40 management division of the department of public
41 safety".
42 6. Page 6, by striking lines 2 through 19.
43 7. Page 6, by inserting before line 20, the
44 following:
45 "Sec. ___. TRANSITIONAL HOUSING REVOLVING LOAN
46 PROGRAM FUND -- TRANSFER. Of the amount appropriated
47 from the general fund of the state to the department
48 of human services for the fiscal year beginning July
49 1, 2005, and ending June 30, 2006, for purposes of
50 child and family services in 2005 Iowa Acts, House

1 File 825, if enacted, $1,400,000 is transferred to the
2 transitional housing revolving loan program fund
3 created in section 16.184, if enacted by 2005 Iowa
4 Acts, House File 825, to be used for purposes of that
5 fund. The transfer shall be completed on or before
6 August 1, 2005.
7 Sec. ___. HEALTHY IOWANS TOBACCO TRUST -- AIDS
8 DRUG ASSISTANCE PROGRAM. There is appropriated from
9 the healthy Iowans tobacco trust created in section
10 12.65 to the Iowa department of public health for the
11 fiscal year beginning July 1, 2005, and ending June
12 30, 2006, the following amount, or so much thereof as
13 is necessary, to be used for the purpose designated:
14 For additional funding to leverage federal funding
15 through the federal Ryan White Care Act, Title II,
16 AIDS drug assistance program supplemental drug
17 treatment grants:
18 ..... $ 275,000
19 Sec. ___. GREAT PLACES. There is appropriated
20 from the general fund of the state to the department
21 of cultural affairs for the fiscal year beginning July
22 1, 2004, and ending June 30, 2005, the following
23 amount, or so much thereof as is necessary, to be used
24 for the purposes designated:
25 GREAT PLACES. For salaries, support, maintenance,
26 and miscellaneous purposes:
27 ..... $ 100,000
28 Notwithstanding section 8.33, any moneys
29 appropriated in this section that remain unencumbered
30 or unobligated at the close of the fiscal year shall
31 not revert but shall remain available for expenditure
32 for the purposes designated until the close of the
33 succeeding fiscal year.
34 Sec. ___. IOWA LEARNING TECHNOLOGY. There is
35 appropriated from the general fund of the state to the
36 department of education for the fiscal year beginning
37 July 1, 2005, and ending June 30, 2006, the following
38 amount, or so much thereof as is necessary, to be used
39 for the purpose designated:
40 For implementation of the provisions of Code
41 chapter 280A, as amended by 2005 Iowa Acts, House File
42 739, if enacted:
43 ..... $ 500,000
44 Sec. ___. UNDERGROUND STORAGE TANK FUND -- GENERAL
45 FUND. Notwithstanding section 455G.3, subsection 1,
46 there is transferred from the Iowa comprehensive
47 petroleum underground storage tank fund created in
48 section 455G.3, subsection 1, to the general fund of
49 the state during the fiscal year beginning July 1,
50 2005, and ending June 30, 2006, the following amount:

1 ..... $ 500,000
2 Sec. ___. UNDERGROUND STORAGE TANK FUND --
3 WATERSHED IMPROVEMENT FUND -- FY 2005-2006.
4 Notwithstanding section 455G.3, subsection 1, there is
5 appropriated from the Iowa comprehensive petroleum
6 underground storage tank fund created in section
7 455G.3, subsection 1, to the Iowa finance authority
8 during the fiscal year beginning July 1, 2005, and
9 ending June 30, 2006, the following amount, or so much
10 thereof as is necessary, to be used for the purpose
11 designated:
12 For deposit in the watershed improvement fund
13 created in 2005 Iowa Acts, Senate File 200, if
14 enacted:
15 ..... $ 4,500,000
16 The moneys deposited in the watershed improvement
17 fund pursuant to this section are appropriated to the
18 Iowa finance authority for the fiscal year beginning
19 July 1, 2005, and ending June 30, 2006, to be used as
20 provided in section 16.185, if enacted by 2005 Iowa
21 Acts, Senate File 200. The appropriations made in this
22 section are contingent upon the enactment of 2005 Iowa
23 Acts, Senate File 200, and the creation of the
24 watershed improvement fund in accordance with section
25 16.185, if enacted by 2005 Iowa Acts, Senate File 200.
26 Sec. ___. UNDERGROUND STORAGE TANK FUND --
27 WATERSHED IMPROVEMENT FUND -- FY 2006-2007.
28 Notwithstanding section 455G.3, subsection 1, there is
29 appropriated from the Iowa comprehensive petroleum
30 underground storage tank fund created in section
31 455G.3, subsection 1, to the Iowa finance authority
32 during the fiscal year beginning July 1, 2006, and
33 ending June 30, 2007, the following amount, or so much
34 thereof as is necessary, to be used for the purpose
35 designated:
36 For deposit in the watershed improvement fund
37 created in 2005 Iowa Acts, Senate File 200, if
38 enacted:
39 ..... $ 5,000,000
40 The moneys deposited in the watershed improvement
41 fund pursuant to this section are appropriated to the
42 Iowa finance authority for the fiscal year beginning
43 July 1, 2006, and ending June 30, 2007, to be used as
44 provided in section 16.185, if enacted by 2005 Iowa
45 Acts, Senate File 200. The appropriations made in
46 this section are contingent upon the enactment of 2005
47 Iowa Acts, Senate File 200, and the creation of the
48 watershed improvement fund in accordance with section
49 16.185, if enacted by 2005 Iowa Acts, Senate File 200.
50 Sec. ___. GROW IOWA VALUES FUND -- FY 2004-2005.

1 There is appropriated from the general fund of the
2 state to the department of economic development for
3 the fiscal year beginning July 1, 2004, and ending
4 June 30, 2005, the following amount, or so much
5 thereof as is necessary, to be used for the purpose
6 designated:
7 To be credited to the grow Iowa values fund created
8 in section 15G.108, if enacted by 2005 Iowa Acts,
9 House File 868:
10 ..... $ 25,000,000
11 Notwithstanding section 8.33, moneys appropriated
12 in this section that remain unencumbered or
13 unobligated at the close of the fiscal year shall not
14 revert but shall remain available for expenditure for
15 the purpose designated until the close of the
16 succeeding fiscal year. The appropriation made in
17 this section shall be distributed and credited to the
18 grow Iowa values fund on July 1, 2005.
19 Sec. ___. GROW IOWA VALUES FUND -- FY 2005-2006.
20 There is appropriated from the general fund of the
21 state for the fiscal year beginning July 1, 2005, and
22 ending June 30, 2006, to the department of economic
23 development in lieu of the appropriation made from the
24 general fund of the state in section 15G.110, if
25 enacted by 2005 Iowa Acts, House File 809, for the
26 fiscal year beginning July 1, 2005, and ending June
27 30, 2006, to be used for the purpose designated:
28 For deposit in the grow Iowa values fund created in
29 section 15G.108, if enacted by 2005 Iowa Acts, House
30 File 868:
31 ..... $ 25,000,000"
32 8. Page 6, by striking lines 20 through 30.
33 9. Page 7, by striking lines 1 through 20.
34 10. By striking page 7, line 21, through page 9,
35 line 32.
36 11. By striking page 9, line 33, through page 11,
37 line 16.
38 12. Page 11, by inserting before line 17, the
39 following:
40 "Sec. ___. NATIONAL GOVERNORS ASSOCIATION MEETING.
41 2004 Iowa Acts, chapter 1175, section 12, subsection
42 4, AS AMENDED BY 2005 Iowa Acts, House File 810, if
43 enacted, is amended to read as follows:
44 4. NATIONAL GOVERNORS ASSOCIATION
45 For payment of Iowa's membership in the national
46 governors association:
47 ..... $ ~~364,393~~
48 264,393
49 Of the funds appropriated in this subsection,
50 ~~$300,000~~ $200,000 is allocated for security-related

costs and other expenses associated with the national governors association national meeting. Notwithstanding section 8.33, the moneys allocated for the meeting 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.

Sec. ___. 2005 Iowa Acts, House File 881, section 5, unnumbered paragraphs 1 and 2, if enacted, are amended to read as follows:

There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies, excluding the state board of regents, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount of ~~$38,500,000~~ 43,300,000, or so much thereof as may be necessary, to fully fund annual pay adjustments, expense reimbursements, and related benefits implemented pursuant to the following:

Of the amount appropriated in this section, ~~$4,880,000~~ 5,488,000 shall be allocated to the judicial branch for the purpose of funding annual pay adjustments, expense reimbursements, and related benefits implemented for judicial branch employees."

13. By striking page 12, line 18, through page 13, line 4.

14. Page 13, by inserting after line 21, the following:

"Sec. ___. MEDICAL ASSISTANCE APPROPRIATION. If 2005 Iowa Acts, House File 825, is enacted and provides for an appropriation from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, for the medical assistance program, there is appropriated from the general fund of the state, in lieu of such appropriation in 2005 Iowa Acts, House File 825, the following amount, or so much thereof as is necessary:

For purposes of the medical assistance program in accordance with the provisions of 2005 Iowa Acts, House File 825, as enacted:

..... $509,416,519

Sec. ___. SENIOR LIVING TRUST FUND APPROPRIATION. If 2005 Iowa Acts, House File 825, is enacted and provides for an appropriation from the senior living trust fund to the department of human services for the fiscal year beginning July 1, 2005, and ending June

1 30, 2006, to supplement the medical assistance
2 appropriation, there is appropriated from the senior
3 living trust fund, in lieu of such appropriation in
4 2005 Iowa Acts, House File 825, the following amount,
5 or so much thereof as is necessary:
6 For purposes of supplementation of the medical
7 assistance appropriation in accordance with the
8 provisions of 2005 Iowa Acts, House File 825, as
9 enacted:
10 ..... $ 75,253,926
11 Sec. ___. JUVENILE HOME AT TOLEDO. If 2005 Iowa
12 Acts, House File 875, is enacted and provides for an
13 appropriation from the rebuild Iowa infrastructure
14 fund to the department of administrative services for
15 the fiscal year beginning July 1, 2005, and ending
16 June 30, 2006, for powerhouse facilities at the
17 juvenile home at Toledo, there is appropriated from
18 the rebuild Iowa infrastructure fund in lieu of such
19 appropriation in 2005 Iowa Acts, House File 875, the
20 following amount, or so much thereof as is necessary:
21 For the costs associated with the replacement of
22 the powerhouse facilities at the juvenile home at
23 Toledo:
24 ..... $ 861,045
25 Sec. ___. ENRICH IOWA LIBRARIES PROGRAM. If 2005
26 Iowa Acts, House File 875, is enacted and provides for
27 an appropriation from the rebuild Iowa infrastructure
28 fund to the department of education for the fiscal
29 year beginning July 1, 2005, and ending June 30, 2006,
30 for resources for local libraries and the enrich Iowa
31 program, there is appropriated from the rebuild Iowa
32 infrastructure fund in lieu of such appropriation in
33 2005 Iowa Acts, House File 875, the following amount,
34 or so much thereof as is necessary:
35 To provide resources for structural and
36 technological improvements to local libraries and for
37 the enrich Iowa program, notwithstanding section 8.57,
38 subsection 6, paragraph "c":
39 ..... $ 900,000
40 Sec. ___. NATIONAL PROGRAM FOR PLAYGROUND SAFETY.
41 If 2005 Iowa Acts, House File 875, is enacted and
42 provides for an appropriation from the rebuild Iowa
43 infrastructure fund to the university of northern Iowa
44 for the fiscal year beginning July 1, 2005, and ending
45 June 30, 2006, for the national program for playground
46 safety, there is appropriated from the rebuild Iowa
47 infrastructure fund in lieu of such appropriation in
48 2005 Iowa Acts, House File 875, the following amount,
49 or so much thereof as is necessary:
50 For the Iowa safe surfacing initiative,

1 notwithstanding section 8.57, subsection 6, paragraph
2 "c":
3 ..... $ 500,000
4 Sec. ___. JUVENILE HOME AT TOLEDO. If 2005 Iowa
5 Acts, House File 875, is enacted and provides for an
6 appropriation from the rebuild Iowa infrastructure
7 fund to the department of administrative services for
8 the fiscal year beginning July 1, 2006, and ending
9 June 30, 2007, for powerhouse facilities at the
10 juvenile home at Toledo, there is appropriated from
11 the rebuild Iowa infrastructure fund in lieu of such
12 appropriation in 2005 Iowa Acts, House File 875, the
13 following amount, or so much thereof as is necessary:
14 For the costs associated with the replacement of
15 the powerhouse facilities at the juvenile home at
16 Toledo:
17 ..... $ 1,821,045"
18 15. Page 13, line 23, by striking the figure "1".
19 16. Page 13, by striking lines 27 through 33.
20 17. Page 13, by inserting before line 34, the
21 following:
22 "__. The section of this division of this Act
23 providing an appropriation from the general fund of
24 the state to the department of economic development
25 for the fiscal year beginning July 1, 2004, for
26 deposit in the grow Iowa values fund, is contingent
27 upon enactment of the provisions of 2005 Iowa Acts,
28 House File 809, enacting section 15G.110, and 2005
29 Iowa Acts, House File 868, enacting section 15G.108,
30 and being deemed of immediate importance, takes effect
31 upon enactment.
32 ___. The sections of this division of this Act
33 appropriating moneys to the department of cultural
34 affairs for great places and amending 2004 Iowa Acts,
35 chapter 1175, section 12, subsection 4, being deemed
36 of immediate importance, take effect upon enactment."
37 18. Page 13, by inserting after line 35 the
38 following:
39 "Sec. ___. Section 8D.2, subsection 5, paragraph
40 b, Code 2005, is amended to read as follows:
41 b. For the purposes of this chapter, "public
42 agency" also includes any homeland security or defense
43 facility <u>or disaster response agency</u> established by
44 the administrator of the homeland security and
45 emergency management division of the department of
46 public defense or the governor or any facility
47 connected with a security or defense system <u>or</u>
48 <u>disaster response</u> as required by the administrator of
49 the homeland security and emergency management
50 division of the department of public defense or the

1 governor.
2 Sec. ___. Section 8D.9, subsection 3, Code 2005,
3 is amended to read as follows:
4 3. A facility that is considered a public agency
5 pursuant to section 8D.2, subsection 5, paragraph "b",
6 shall be authorized to access the Iowa communications
7 network strictly for homeland security communication
8 purposes and disaster communication purposes. Any
9 utilization of the network that is not related to
10 communications concerning homeland security or a
11 disaster, as defined in section 29C.2, is expressly
12 prohibited. Access under this subsection shall be
13 available only if a state of disaster emergency is
14 proclaimed by the governor pursuant to section 29C.6
15 or a homeland security or disaster event occurs
16 requiring connection of disparate communications
17 systems between public agencies to provide for a
18 multi-agency or multi-jurisdictional response. Access
19 shall continue only for the period of time the
20 homeland security or disaster event exists. For
21 purposes of this subsection, disaster communication
22 purposes includes training and exercising for a
23 disaster if public notice of the training and
24 exercising session is posted on the website of the
25 homeland security and emergency management division of
26 the department of public defense. A scheduled and
27 noticed training and exercising session shall not
28 exceed five days. Interpretation and application of
29 the provisions of this subsection shall be strictly
30 construed."
31 19. By striking page 14, line 1, through page 15,
32 line 17.
33 20. Page 18, by inserting after line 11, the
34 following:
35 "Sec. ___. NEW SECTION. 16.191 NEW GROWTH
36 PROGRAM.
37 1. The authority shall establish and administer a
38 new growth program for purposes of providing financial
39 assistance to encourage entrepreneurial activity in
40 rural and urban areas in the state.
41 2. The authority shall identify twenty communities
42 in the state to serve as new growth program
43 communities. A community may consist of a city or
44 county, or a portion of a city or county. Not more
45 than five of the new growth program communities shall
46 be located in cities with a population of fifty
47 thousand or greater.
48 3. The authority shall identify a facilitator.
49 The facilitator shall be a statewide, faith-based
50 organization for purposes of facilitating the

1 activities in each new growth program community. The
2 activities shall be structured around fifteen meetings
3 designed to bring local entrepreneurs and business
4 development entities together to exchange information
5 on product and service research, business planning,
6 finance and credit, licensing and regulations, use of
7 technology, business practices, product development
8 and testing, and marketing.
9 4. The authority may provide financial assistance
10 to the facilitator for each new growth program
11 community. The authority shall not provide more than
12 ten thousand dollars in financial assistance to the
13 facilitator for each new growth program community. In
14 order to receive the maximum amount of financial
15 assistance, the facilitator must secure ten thousand
16 dollars in local financial assistance and ten thousand
17 dollars worth of in-kind contributions."
18 21. Page 18, by inserting after line 30, the
19 following:
20 "Sec. ___. Section 331.439, Code 2005, is amended
21 by adding the following new subsection:
22 NEW SUBSECTION. 9. The county management plan
23 shall designate at least one hospital licensed under
24 chapter 135B that the county has contracted with to
25 provide services covered under the plan. If the
26 designated hospital does not have a bed available to
27 provide the services, the county is responsible for
28 the cost of covered services provided at an alternate
29 hospital licensed under chapter 135B.
30 Sec. ___. Section 364.17, subsection 3, paragraph
31 a, Code 2005, is amended to read as follows:
32 a. A schedule of civil penalties or criminal fines
33 for violations. A city may charge the owner of
34 housing a late payment fee of twenty-five dollars and
35 may add interest of up to one and one-half percent per
36 month if a penalty or fine imposed under this
37 paragraph is not paid within thirty days of the date
38 that the penalty or fine is due. The city shall send
39 a notice of the late payment fee to such owner by
40 first class mail to the owner's personal or business
41 mailing address. The late payment fee and the
42 interest shall not accrue if such owner files an
43 appeal with either the city, if the city has
44 established an appeals procedure, or the district
45 court. Any unpaid penalty, fine, fee, or interest
46 shall constitute a lien on the real property and may
47 be collected in the same manner as a property tax.
48 However, before a lien is filed, the city shall send a
49 notice of intent to file a lien to the owner of the
50 housing by first class mail to such owner's personal

1 or business mailing address.
2 Sec. ___. Section 364.17, subsection 5, Code 2005,
3 is amended to read as follows:
4 5. Cities may establish reasonable fees for
5 inspection and enforcement procedures. A city may
6 charge the owner of housing a late payment penalty of
7 twenty-five dollars and may add interest of up to one
8 and one-half percent per month if a fee imposed under
9 this subsection is not paid within thirty days of the
10 date that the fee is due. The city shall send a
11 notice of the late payment penalty to such owner by
12 first class mail to the owner's personal or business
13 mailing address. The late payment penalty and the
14 interest shall not accrue if such owner files an
15 appeal with either the city, if the city has
16 established an appeals procedure, or the district
17 court. Any unpaid fee, penalty, or interest shall
18 constitute a lien on the real property and may be
19 collected in the same manner as a property tax.
20 However, before a lien is filed, the city shall send a
21 notice of intent to file a lien to the owner of the
22 housing by first class mail to such owner's personal
23 or business mailing address.
24 Sec. ___. Section 384.16, subsection 1, unnumbered
25 paragraph 2, Code 2005, is amended to read as follows:
26 A budget must show comparisons between the
27 estimated expenditures in each program in the
28 following year ~~and the actual expenditures in each~~
29 ~~program during the two preceding years~~, the latest
30 estimated expenditures in each program in the current
31 year, and the actual expenditures in each program from
32 the annual report as provided in section 384.22, or as
33 corrected by a subsequent audit report. Wherever
34 practicable, as provided in rules of the committee, a
35 budget must show comparisons between the levels of
36 service provided by each program as estimated for the
37 following year, and actual levels of service provided
38 by each program during the two preceding years.
39 Sec. ___. Section 384.16, Code 2005, is amended by
40 adding the following new subsection:
41 NEW SUBSECTION. 7. A city that does not submit a
42 budget in compliance with this section shall have all
43 state funds withheld until a budget that is in
44 compliance with this section is filed with the county
45 auditor and subsequently received by the department of
46 management. The department of management shall send
47 notice to state agencies responsible for disbursement
48 of state funds and that notice is sufficient
49 authorization for those funds to be withheld until
50 later notice is given by the department of management

1 to release those funds."
2 22. Page 20, by inserting after line 34, the
3 following:
4 "Sec. ___. Section 427.1, subsection 21, Code
5 2005, is amended to read as follows:
6 21. LOW-RENT HOUSING. The property owned and
7 operated or controlled by a nonprofit organization, as
8 recognized by the internal revenue service, providing
9 low-rent housing for persons who are elderly and
10 persons with physical and mental disabilities. The
11 exemption granted under the provisions of this
12 subsection shall apply only until the ~~terms~~ final
13 payment due date of the borrower's original low-rent
14 housing development mortgage or until the borrower's
15 original low-rent housing development mortgage is paid
16 in full or expires, whichever is sooner, subject to
17 the provisions of subsection 14. However, if the
18 borrower's original low-rent housing development
19 mortgage is refinanced, the exemption shall apply only
20 until the date that would have been the final payment
21 due date under the terms of the borrower's original
22 low-rent housing development mortgage or until the
23 refinanced mortgage is paid in full or expires,
24 whichever is sooner, subject to the provisions of
25 subsection 14."
26 23. Page 21, by inserting after line 8, the
27 following:
28 Sec. ___. Section 427.1, subsection 30, Code 2005,
29 is amended to read as follows:
30 30. MANUFACTURED HOME COMMUNITY OR MOBILE HOME
31 PARK STORM SHELTER. A structure constructed as a
32 storm shelter at a manufactured home community or
33 mobile home park as defined in section 435.1. An
34 application for this exemption shall be filed with the
35 assessing authority not later than February 1 of the
36 first year for which the exemption is requested, on
37 forms provided by the department of revenue. The
38 application shall describe and locate the storm
39 shelter to be exempted. If the storm shelter
40 structure is used exclusively as a storm shelter, all
41 of the structure's assessed value shall be exempt from
42 taxation. If the storm shelter structure is not used
43 exclusively as a storm shelter, the storm shelter
44 structure shall be assessed for taxation at ~~seventy-~~
45 ~~five~~ fifty percent of its value as commercial
46 property."
47 24. Page 21, by inserting after line 31 the
48 following:
49 "Sec. ___. Section 459.301, Code 2005, is amended
50 by adding the following new subsection:

1 NEW SUBSECTION. 3A. For purposes of complying
2 with requirements relating to submitting a manure
3 management plan as required in section 459.312, a
4 confinement feeding operation housing poultry which
5 was regulated as a small animal feeding operation
6 prior to April 29, 2002, shall be deemed to be a small
7 animal feeding operation as provided in section
8 459.312, if the animal weight capacity of the
9 confinement feeding operation has not increased since
10 April 29, 2002.
11 Sec. ___. Section 463C.11, subsection 1, if
12 enacted by 2005 Iowa Acts, House File 875, is amended
13 to read as follows:
14 1. The honey creek premier destination park bond
15 fund is established as a separate and distinct fund in
16 the state treasury consisting of honey creek premier
17 destination park revenues, any moneys appropriated by
18 the general assembly to the fund, and any other moneys
19 available to and obtained or accepted by the authority
20 for placement in the fund. The moneys in the fund
21 shall be used to develop the honey creek premier
22 destination park in the state by funding the
23 development and construction of facilities in the park
24 including but not limited to lodges, campgrounds,
25 cabins, and golf courses. The treasurer of state is
26 authorized to establish separate and distinct accounts
27 within the honey creek premier destination park bond
28 fund in connection with the issuance of the
29 authority's bonds in accordance with the trust
30 indenture or resolution authorizing the bonds and the
31 authority is authorized to determine which revenues
32 and accounts shall be pledged as security for the
33 bonds. Amounts deposited in the honey creek premier
34 destination park bond fund shall be deposited in the
35 separate and distinct accounts as set forth in the
36 trust indenture or resolution authorizing the bonds.
37 The authority is authorized to pledge and use the
38 gross revenues from the honey creek premier
39 destination park to and for payment of the bonds.
40 Revenues may also be used for the payment of
41 insurance, other credit enhancements, and other
42 financing arrangements. Operating expenses of the
43 honey creek premier destination park may be paid from
44 the revenues to the extent the revenues exceed the
45 amount determined by the authority to be necessary for
46 debt service on the bonds.
47 Sec. ___. Section 463C.13, subsection 4, if
48 enacted by 2005 Iowa Acts, House File 875, is amended
49 to read as follows:
50 4. To assure the continued operation and solvency

1 of the authority for the carrying out of its corporate
2 purposes, provision is made in subsection 1 for the
3 accumulation in each bond reserve fund of an amount
4 equal to the bond reserve fund requirement for the
5 fund. In order further to assure maintenance of the
6 bond reserve funds, the chairperson of the authority
7 shall, on or before ~~July~~ January 1 of each calendar
8 year, make and deliver to the governor the
9 chairperson's certificate stating the sum, if any,
10 required to restore each bond reserve fund to the bond
11 reserve fund requirement for that fund. Within thirty
12 days after the beginning of the session of the general
13 assembly next following the delivery of the
14 certificate, the governor ~~may~~ shall submit to both
15 houses printed copies of a budget including the sum,
16 if any, required to restore each bond reserve fund to
17 the bond reserve fund requirement for that fund. Any
18 sums appropriated by the general assembly and paid to
19 the authority pursuant to this section shall be
20 deposited by the authority in the applicable bond
21 reserve fund.
22 Sec. ___. Section 476C.1, subsection 6, paragraph
23 b, if enacted by 2005 Iowa Acts, Senate File 390,
24 section 7, is amended by adding the following new
25 subparagraph:
26 (8) A community college as defined in section
27 260C.2.
28 Sec. ___. Section 476C.1, subsection 6, paragraph
29 d, if enacted by 2005 Iowa Acts, Senate File 390,
30 section 7, is amended to read as follows:
31 d. Was initially placed into service on or after
32 ~~July~~ January 1, 2005, and before January 1, 2011.
33 Sec. ___. Section 537.2401, subsection 1, Code
34 2005, is amended to read as follows:
35 1. Except as provided with respect to a finance
36 charge for loans pursuant to open end credit under
37 section 537.2402 and loans secured by a certificate of
38 title of a motor vehicle under section 537.2403, a
39 lender may contract for and receive a finance charge
40 not exceeding the maximum charge permitted by the laws
41 of this state or of the United States for similar
42 lenders, and, in addition, with respect to a consumer
43 loan, a supervised financial organization or a
44 mortgage lender may contract for and receive a finance
45 charge, calculated according to the actuarial method,
46 not exceeding twenty-one percent per year on the
47 unpaid balance of the amount financed. ~~This~~ Except as
48 provided in section 537.2403, this subsection does not
49 prohibit a lender from contracting for and receiving a
50 finance charge exceeding twenty-one percent per year

1 on the unpaid balance of the amount financed on
2 consumer loans if authorized by other provisions of
3 the law.
4 Sec. ___. Section 537.2402, subsection 1, Code
5 2005, is amended to read as follows:
6 1. If authorized to make supervised loans, a
7 creditor may contract for and receive a finance charge
8 without limitation as to amount or rate with respect
9 to a loan pursuant to open-end credit as permitted in
10 this section except as provided in section 537.2403.
11 Sec. ___. NEW SECTION. 537.2403 FINANCE CHARGE
12 FOR CONSUMER LOANS SECURED BY A MOTOR VEHICLE.
13 1. A lender shall not contract for or receive a
14 finance charge exceeding twenty-one percent per year
15 on the unpaid balance of the amount financed for a
16 loan of money secured by a certificate of title to a
17 motor vehicle used for personal, family, or household
18 purpose except as authorized under chapter 536 or
19 536A. A consumer who is charged a finance charge in
20 excess of the limitation in this section may seek any
21 remedies available pursuant to this chapter for an
22 excess charge.
23 2. It shall be a violation of this section and an
24 unlawful practice under section 714.16 to attempt to
25 avoid application of this section by structuring a
26 loan of money secured by certificate of title to a
27 motor vehicle as a sale, sale and repurchase, sale and
28 lease, pawn, rental purchase, lease, or other type of
29 transaction with the intent to avoid application of
30 this section or any other applicable provision of this
31 chapter."
32 25. Page 23, by inserting after line 35, the
33 following:
34 "Sec. ___. Section 602.10110, Code 2005, is
35 amended to read as follows:
36 602.10110 OATH.
37 All persons on being admitted to the bar shall take
38 an oath or affirmation, as promulgated by the supreme
39 court, declaring to support the Constitutions of the
40 United States and of the state of Iowa, and to
41 faithfully discharge, according to the best of their
42 ability, the duties of an attorney ~~and counselor of~~
43 ~~this state according to the best of their ability~~.
44 Sec. ___. Section 602.10112, Code 2005, is
45 repealed.
46 Sec. ___. 2005 Iowa Acts, House File 825, section
47 29, subsection 1, paragraph 1, if enacted, relating to
48 reimbursement under the medical assistance program to
49 physicians who administer injectable drugs, is amended
50 by striking the paragraph.

1 Sec. ___. NEW GROWTH PROGRAM. There is
2 appropriated from the general fund of the state to the
3 Iowa finance authority, for the fiscal year beginning
4 July 1, 2005, and ending June 30, 2006, two hundred
5 thousand dollars, or so much thereof as is necessary,
6 to be used for the new growth program established in
7 section 16.191, if enacted in this division of this
8 Act."
9 26. Page 24, by inserting before line 1, the
10 following:
11 "Sec. ___. VEHICLE DEALERSHIP STUDY. The
12 legislative council is requested to appoint an interim
13 study committee that will study the motor vehicle
14 licensing law as it pertains to motor vehicle
15 dealerships' moves from one facility and location to
16 another facility and location in the state. A report
17 should be provided to the general assembly by January
18 15, 2006."
19 27. Page 24, line 18, by striking the word
20 "section" and inserting the following: "sections".
21 28. Page 24, line 19, by inserting after the word
22 "Act" the following: "amending section 427.1,
23 subsection 21, and".
24 29. Page 24, line 20, by striking the words "a
25 property tax exemption" and inserting the following:
26 "property tax exemptions".
27 30. Page 24, by inserting after line 21, the
28 following:
29 "Sec. ___. RETROACTIVE APPLICABILITY DATE. The
30 section of this division of this Act amending section
31 423E.5, being deemed of immediate importance, takes
32 effect upon enactment and applies retroactively to
33 July 1, 2004.
34 Sec. ___. EFFECTIVE AND APPLICABILITY DATES. The
35 sections of this division of this Act amending section
36 427.1, subsection 21, and enacting new subsection 21A
37 to section 427.1, being deemed of immediate
38 importance, take effect upon enactment and apply
39 retroactively to January 1, 2005, for assessment years
40 beginning on or after that date.
41 Sec. ___. APPLICABILITY. Section 25B.7 does not
42 apply to the amendment to section 427.1, subsection
43 30, in this division of this Act.
44 Sec. ___. EFFECTIVE DATE. The sections of this
45 division of this Act amending section 476C.1, if
46 enacted, being deemed of immediate importance, take
47 effect upon enactment and are applicable beginning on
48 the enactment date of 2005 Iowa Acts, Senate File 390,
49 if enacted."
50 31. Page 24, by inserting after line 27, the

1 following:
2 "Sec. ___. EFFECTIVE DATE. The sections of this
3 division of this Act amending section 602.10110 and
4 repealing section 602.10112, being deemed of immediate
5 importance, take effect upon enactment."
6 32. Page 24, by inserting after line 29, the
7 following:
8 "Sec. ___. CRIMINAL CODE REVISIONS INTERIM STUDY
9 COMMITTEE. There is appropriated from the general
10 fund of the state to the legislative council for the
11 fiscal year beginning July 1, 2005, and ending June
12 30, 2006, the following amount, or so much thereof as
13 is necessary, to be used for the purpose designated:
14 For a criminal code revisions interim study
15 committee:
16 ..... $ 75,000
17 The funds appropriated in this section are
18 contingent upon receipt by the general fund of the
19 state of an amount not exceeding $75,000 from costs or
20 attorney fees awarded the state in settlement of its
21 antitrust action against Microsoft brought under
22 chapter 553. However, if the amounts received as a
23 result of this settlement are in excess of $75,000,
24 the excess amounts shall not be appropriated to the
25 legislative council pursuant to this section. If the
26 appropriation made in this section occurs, the amount
27 appropriated from the same source to the department of
28 public safety for the same fiscal year to be used for
29 vehicle depreciation, in accordance with 2005 Iowa
30 Acts, House File 811, is reduced by $75,000."
31 33. By striking page 24, line 30, through page
32 28, line 30, and inserting the following:
33 "Sec. ___. 2005 Iowa Acts, House File 881, section
34 1, subsection 2, if enacted, is amended to read as
35 follows:
36 2. The following annual salary rates shall be paid
37 to the persons holding the judicial positions
38 indicated during the fiscal year beginning July 1,
39 2005, effective with the pay period beginning July 1,
40 2005, and for subsequent pay periods.
41 a. Chief justice of the supreme court:
42 ..... $ ~~132,720~~
43 146,000
44 b. Each justice of the supreme court:
45 ..... $ ~~128,000~~
46 138,500
47 c. Chief judge of the court of appeals:
48 ..... $ ~~127,920~~
49 134,600
50 d. Each associate judge of the court of appeals:

1 ..... $ ~~123,120~~
2 129,600
3 e. Each chief judge of a judicial district:
4 ..... $ ~~122,000~~
5 126,000
6 f. Each district judge except the chief judge of a
7 judicial district:
8 ..... $ ~~117,040~~
9 121,000
10 g. Each district associate judge:
11 ..... $ ~~102,000~~
12 105,500
13 h. Each associate juvenile judge:
14 ..... $ ~~102,000~~
15 105,500
16 i. Each associate probate judge:
17 ..... $ ~~102,000~~
18 105,500
19 j. Each judicial magistrate:
20 ..... $ ~~30,400~~
21 31,500
22 k. Each senior judge:
23 ..... $ ~~6,800~~
24 7,020
25 Sec. ___. YOUTH LEADERSHIP PROGRAM. There is
26 appropriated from the general fund of the state to the
27 department of corrections for the fiscal year
28 beginning July 1, 2005, and ending June 30, 2006, the
29 following amount, or so much thereof as is necessary,
30 to be used for the purpose designated:
31 For the sixth judicial district department of
32 correctional services:
33 ..... $ 100,000
34 The appropriation made in this section shall be
35 used by the judicial district department of
36 correctional services to establish or maintain a youth
37 leadership model program to help at-risk youth in the
38 judicial district department of correctional services.
39 As a part of the program, the judicial district
40 department of correctional services may recruit
41 college or high school students in the judicial
42 district to work with at-risk youth. The student
43 workers shall be recruited regardless of gender, be
44 recommended by their respective schools as good role
45 models, including, but not limited to, students who
46 possess capabilities in one or more of the following
47 areas of ability: intellectual capacity, athletic,
48 visual arts, or performing arts.
49 Sec. ___. FULL-TIME EQUIVALENT POSITIONS FOR THE
50 DIVISION OF CRIMINAL INVESTIGATION AND BUREAU OF

1 IDENTIFICATION. Notwithstanding the full-time
2 equivalent positions authorization in the
3 appropriation made for the fiscal year beginning July
4 1, 2005, to the department of public safety for the
5 division of criminal investigation and bureau of
6 identification in 2005 Iowa Acts, House File 811, if
7 enacted, the number of full-time equivalent positions
8 is increased from 225.50 positions to 228.50
9 positions."
10 34. By striking page 35, line 25, through page
11 36, line 25 and inserting the following:
12 "Sec. ___. COUNTY REAL ESTATE ELECTRONIC
13 GOVERNMENT ADVISORY COMMITTEE.
14 1. A county real estate electronic government
15 advisory committee is created. Staffing services for
16 the advisory committee shall be provided by the
17 auditor of state. The advisory committee membership
18 shall consist of the following:
19 a. Two members selected by the Iowa state
20 association of county auditors.
21 b. Two members selected by the Iowa state county
22 treasurers association.
23 c. Two members selected by the Iowa county
24 recorders association.
25 d. Two members selected by the Iowa state
26 association of assessors.
27 e. One member selected by each of the following
28 organizations:
29 (1) Iowa state association of counties.
30 (2) Iowa land title association.
31 (3) Iowa bankers association.
32 (4) Iowa credit union league.
33 (5) Iowa state bar association.
34 (6) Iowa association of realtors.
35 2. The county real estate electronic government
36 advisory committee shall facilitate discussion to
37 integrate the county land record information system
38 created pursuant to section 331.605C with the
39 electronic government internet applications of county
40 treasurers, county recorders, county auditors, and
41 county assessors. The advisory committee shall file
42 an integration plan with the governor and the general
43 assembly on or before November 1, 2005."
44 35. By striking page 36, line 34, through page
45 37, line 2, and inserting the following: "of the
46 county land record information system. The Iowa
47 county recorders".
48 36. Page 37, by striking line 21, and inserting
49 the following: "documents in the county land record
50 information system until authorized by the".

1 37. Page 37, line 22, by inserting after the word
2 "assembly." the following: "However, county recorders
3 may collect actual third-party fees associated with
4 accepting and processing statutorily authorized fees
5 including credit card fees, treasury management fees,
6 and other transaction fees required to enable
7 electronic payment. For the purposes of this
8 subsection, the term "third-party" does not include
9 the county land record information system, the Iowa
10 state association of counties, or any of the
11 association's affiliates."
12 38. Page 37, lines 24 and 25, by striking the
13 words "and the department of administrative services".
14 39. Page 37, by inserting after line 33, the
15 following:
16 "Sec. ___. DATA SECURITY AUDIT.
17 1. The Iowa county recorders association shall
18 select a vendor to conduct a data security audit of
19 the county land record information system created
20 pursuant to section 331.605C. The review and
21 assessment utilized in the audit shall include, but
22 are not limited to, a review of the functional and
23 system requirements, design documentation, software
24 code developed to support the business requirements,
25 operational procedures, financial flows including a
26 financial forecast, requests for proposals, and all
27 contracts.
28 2. The costs of the data security audit conducted
29 pursuant to subsection 1 shall be paid from moneys
30 appropriated to the treasurer of state pursuant to
31 section 331.605C.
32 3. The Iowa county recorders association shall
33 forward the complete results of the data security
34 audit to the government oversight committees of the
35 senate and the house of representatives and the
36 general assembly on or before December 1, 2005, and
37 the government oversight committees may request
38 additional updates."
39 40. Page 48, by inserting after line 23 the
40 following:
41 "Sec. ___. Section 805.8C, subsection 6, as
42 amended by 2005 Iowa Acts, Senate File 169, section 9,
43 is amended to read as follows:
44 6. PSEUDOEPHEDRINE SALES VIOLATIONS. For
45 violations of section 126.23A, subsection 1, by an
46 employee of a retailer, or for violations of section
47 126.23A, subsection 2, paragraph "a", by a purchaser,
48 the scheduled fine is as follows:
49 a. If the violation is a first offense, the
50 scheduled fine is one hundred dollars.

1 b. If the violation is a second offense, the
2 scheduled fine is two hundred fifty dollars.
3 c. If the violation is a third or subsequent
4 offense, the scheduled fine is five hundred dollars."
5 41. Page 48, by inserting after line 23, the
6 following:
7 "Sec. ___. 2005 Iowa Acts, House File 839, is
8 amended by adding the following new section:
9 SEC. ___. EFFECTIVE DATE. This Act, being deemed
10 of immediate importance, takes effect upon enactment
11 of 2005 Iowa Acts, House File 882."
12 42. Page 48, by inserting after line 26 the
13 following:
14 "DIVISION
15 STATE LIQUOR ACTIVITIES
16 Sec. ___. Section 123.53, subsection 3, Code 2005,
17 is amended to read as follows:
18 3. The treasurer of state shall transfer into a
19 special revenue account in the general fund of the
20 state, a sum of money at least equal to seven percent
21 of the gross amount of sales made by the division from
22 the beer and liquor control fund on a monthly basis
23 but not less than nine million dollars annually~~, and~~
24 ~~any amounts so~~. Of the amounts transferred, two
25 million dollars, plus an additional amount determined
26 by the general assembly, shall be ~~used by~~ appropriated
27 to the substance abuse division of the Iowa department
28 of public health to be used for substance abuse
29 treatment and prevention programs ~~in an amount~~
30 ~~determined by the general assembly and any~~. Any
31 amounts received in excess of the amounts appropriated
32 to the substance abuse division of the Iowa department
33 of public health shall be considered part of the
34 general fund balance.
35 Sec. ___. ALCOHOLIC BEVERAGES DIVISION -- STATE
36 LIQUOR WAREHOUSE AND TRUCKING FUNCTIONS. The
37 department of administrative services shall issue a
38 request for proposals developed with the alcoholic
39 beverages division of the department of commerce or
40 otherwise utilize a competitive process not
41 inconsistent with the division's current charter
42 agency agreement to select a provider to perform the
43 state liquor warehouse and trucking functions. The
44 request for proposals or competitive process shall be
45 issued or commenced as soon as is reasonably possible
46 and a provider shall be selected no later than
47 December 31, 2005. The division may submit a bid in
48 response to a request for proposals issued or
49 competitive process conducted pursuant to this
50 section. If the division submits a bid, the division

1 shall include in the bid the cost of labor to perform
2 the contract which shall be calculated by using the
3 cost of hiring full-time equivalent positions to
4 perform the contract pursuant to state pay grade
5 classifications and benefits as outlined in the most
6 recent collective bargaining agreement applicable to
7 other employees of the division. Notwithstanding any
8 provision of chapter 22 to the contrary, the
9 division's bid and any documents the division uses in
10 developing its bid shall be considered a confidential
11 record until the department of administrative services
12 announces the results of the request for proposals or
13 competitive process.
14 Sec. ___. EFFECTIVE DATE. The section of this Act
15 amending section 123.53 takes effect July 1, 2006.
16 DIVISION
17 BOARD OF REGENTS
18 Sec. ___. Section 12B.10C, Code 2005, is amended
19 by adding the following new subsection:
20 NEW SUBSECTION. 10. The state board of regents
21 governed by chapter 262.
22 Sec. ___. Section 73A.1, subsection 2, Code 2005,
23 is amended to read as follows:
24 2. "Municipality" as used in this chapter means
25 township, school corporation, and state fair board~~,~~
26 ~~and state board of regents~~.
27 Sec. ___. Section 262.9, subsection 7, Code 2005,
28 is amended to read as follows:
29 7. ~~With the approval of the executive council,~~
30 ~~acquire~~ Acquire real estate for the proper uses of
31 ~~said~~ institutions under its control, and dispose of
32 real estate belonging to ~~said~~ the institutions when
33 not necessary for their purposes. ~~A~~ The disposal of
34 ~~such~~ real estate shall be made upon such terms,
35 conditions, and consideration as the board may
36 recommend ~~and subject to the approval of the executive~~
37 ~~council~~. If real estate subject to sale ~~hereunder~~ has
38 been purchased or acquired from appropriated funds,
39 the proceeds of such sale shall be deposited with the
40 treasurer of state and credited to the general fund of
41 the state. There is hereby appropriated from the
42 general fund of the state a sum equal to the proceeds
43 so deposited and credited to the general fund of the
44 state to the state board of regents, which~~, with the~~
45 ~~prior approval of the executive council,~~ may be used
46 to purchase other real estate and buildings~~,~~ and for
47 the construction and alteration of buildings and other
48 capital improvements. All transfers shall be by state
49 patent in the manner provided by law. The board is
50 also authorized to grant easements for rights-of-way

1 over, across, and under the surface of public lands
2 under its jurisdiction when in the board's judgment
3 such easements are desirable and will benefit the
4 state of Iowa.
5 Sec. ___. Section 262.9, subsection 15, unnumbered
6 paragraph 2, Code 2005, is amended by striking the
7 unnumbered paragraph.
8 Sec. ___. Section 262.10, unnumbered paragraph 1,
9 Code 2005, is amended to read as follows:
10 No sale or purchase of real estate shall be made
11 save upon the order of the board, made at a regular
12 meeting, or one called for that purpose, and then in
13 such manner and under such terms as the board may
14 prescribe ~~and only with the approval of the executive~~
15 ~~council~~. No member of the board or any of its
16 committees, offices or agencies nor any officer of any
17 institution, shall be directly or indirectly
18 interested in such purchase or sale.
19 Sec. ___. Section 262.33A, Code 2005, is amended
20 to read as follows:
21 262.33A FIRE AND ENVIRONMENTAL SAFETY -- REPORT --
22 EXPENDITURES.
23 It is the intent of the general assembly that each
24 institution of higher education under the control of
25 the state board of regents shall, in consultation with
26 the state fire marshal, identify and correct all
27 critical fire and environmental safety deficiencies.
28 ~~The state fire marshal shall report annually to the~~
29 ~~joint subcommittee on education appropriations. The~~
30 ~~report shall include, but is not limited to, the~~
31 ~~identified deficiencies in fire and environmental~~
32 ~~safety at the institutions, and plans for correction~~
33 ~~of the deficiencies and for compliance with this~~
34 ~~section.~~ Commencing July 1, 1993, each institution
35 under the control of the state board of regents shall
36 expend annually for fire safety and deferred
37 maintenance at least the amount budgeted for these
38 purposes for the fiscal year beginning July 1, 1992,
39 in addition to any moneys appropriated from the
40 general fund for these purposes in succeeding years.
41 Sec. ___. Section 262.34, Code 2005, is amended to
42 read as follows:
43 262.34 IMPROVEMENTS -- ADVERTISEMENT FOR BIDS --
44 DISCLOSURES -- PAYMENTS.
45 1. When the estimated cost of construction,
46 repairs, or improvement of buildings or grounds under
47 charge of the state board of regents exceeds ~~twenty-~~
48 ~~five~~ one hundred thousand dollars, the board shall
49 advertise for bids for the contemplated improvement or
50 construction and shall let the work to the lowest

1 responsible bidder. However, if in the judgment of
2 the board bids received are not acceptable, the board
3 may reject all bids and proceed with the construction,
4 repair, or improvement by a method as the board may
5 determine. All plans and specifications for repairs
6 or construction, together with bids on the plans or
7 specifications, shall be filed by the board and be
8 open for public inspection. All bids submitted under
9 this section shall be accompanied by a deposit of
10 money, a certified check, or a credit union certified
11 share draft in an amount as the board may prescribe.
12 2. A bidder awarded a contract shall disclose the
13 names of all subcontractors, who will work on the
14 project being bid, within forty-eight hours after the
15 award of the contract. If a subcontractor named by a
16 bidder awarded a contract is replaced, or if the cost
17 of work to be done by a subcontractor is reduced, the
18 bidder shall disclose the name of the new
19 subcontractor or the amount of the reduced cost.
20 3. Payments made by the board for the construction
21 of public improvements shall be made in accordance
22 with the provisions of chapter 573 except that:
23 a. Payments may be made without retention until
24 ninety-five percent of the contract amount has been
25 paid. The remaining five percent of the contract
26 amount shall be paid as provided in section 573.14,
27 except that:
28 (1) At any time after all or any part of the work
29 is substantially completed in accordance with
30 paragraph "c", the contractor may request the release
31 of all or part of the retainage owed. Such request
32 shall be accompanied by a waiver of claim rights under
33 the provisions of chapter 573 from any person, firm,
34 or corporation who has, under contract with the
35 principal contractor or with subcontractors performed
36 labor, or furnished materials, service, or
37 transportation in the construction of that portion of
38 the work for which release of the retainage is
39 requested.
40 (2) Upon receipt of the request, the board shall
41 release all or part of the unpaid funds. Retainage
42 that is approved as payable shall be paid at the time
43 of the next monthly payment or within thirty days,
44 whichever is sooner. If partial retainage is released
45 pursuant to a contractor's request, no retainage shall
46 be subsequently held based on that portion of the
47 work. If within thirty days of when payment becomes
48 due the board does not release the retainage due,
49 interest shall accrue on the retainage amount due as
50 provided in section 573.14 until that amount is paid.

1 (3) If at the time of the request for the
2 retainage there are remaining or incomplete minor
3 items, an amount equal to two hundred percent of the
4 value of each remaining or incomplete item, as
5 determined by the board's authorized contract
6 representative, may be withheld until such item or
7 items are completed.
8 (4) An itemization of the remaining or incomplete
9 items, or the reason that the request for release of
10 the retainage was denied, shall be provided to the
11 contractor in writing within thirty calendar days of
12 the receipt of the request for release of retainage.
13 b. For purposes of this section, "authorized
14 contract representative" means the architect or
15 engineer who is in charge of the project and chosen by
16 the board to represent its interests, or if there is
17 no architect or engineer, then such other contract
18 representative or officer as designated in the
19 contract documents as the party representing the
20 board's interest regarding administration and
21 oversight of the project.
22 c. For purposes of this section, "substantially
23 completed" means the first date on which any of the
24 following occurs:
25 (1) Completion of the project or when the work has
26 been substantially completed in general accordance
27 with the terms and provisions of the contract.
28 (2) The work or the portion designated is
29 sufficiently complete in accordance with the
30 requirements of the contract so the board can occupy
31 or utilize the work for its intended purpose.
32 (3) The project is certified as having been
33 substantially completed by either of the following:
34 (a) The architect or engineer authorized to make
35 such certification.
36 (b) The contracting authority representing the
37 board.
38 4. Each contractor or subcontractor shall withhold
39 retainage, if at all, in the same manner as retainage
40 is withheld from the contractor or subcontractor; and
41 each subcontractor shall pass through all retainage
42 payments to lower tier subcontractors in accordance
43 with the provisions of chapter 573.
44 Sec. ___. Section 262.57, unnumbered paragraph 1,
45 Code 2005, is amended to read as follows:
46 To pay all or any part of the cost of carrying out
47 any project at any institution the board is authorized
48 to borrow money and to issue and sell negotiable bonds
49 or notes and to refund and refinance bonds or notes
50 heretofore issued or as may be hereafter issued for

1 any project or for refunding purposes at a lower rate,
2 the same rate or a higher rate or rates of interest
3 and from time to time as often as the board shall find
4 it to be advisable and necessary so to do. Such bonds
5 or notes may be sold by said board at public sale in
6 the manner prescribed by chapter 75 but if the board
7 shall find it to be advantageous and in the public
8 interest to do so, such bonds or notes may be sold by
9 the board at private sale without published notice of
10 any kind and without regard to the requirements of
11 chapter 75 in such manner and upon such terms as may
12 be prescribed by the resolution authorizing the same~~,~~
13 ~~but such bonds or notes shall in any event be sold~~
14 ~~upon terms of not less than par plus accrued interest~~.
15 Bonds or notes issued to refund other bonds or notes
16 heretofore or hereafter issued by the board for
17 residence hall or dormitory purposes at any
18 institution, including dining or other facilities and
19 additions, or heretofore or hereafter issued for
20 refunding purposes, may either be sold in the manner
21 hereinbefore specified and the proceeds thereof
22 applied to the payment of the obligations being
23 refunded, or the refunding bonds or notes may be
24 exchanged for and in payment and discharge of the
25 obligations being refunded, and a finding by the board
26 in the resolution authorizing the issuance of such
27 refunding bonds or notes that the bonds or notes being
28 refunded were issued for a purpose specified in this
29 division and constitute binding obligations of the
30 board shall be conclusive and may be relied upon by
31 any holder of any refunding bond or note issued under
32 the provisions of this division. The refunding bonds
33 or notes may be sold or exchanged in installments at
34 different times or an entire issue or series may be
35 sold or exchanged at one time. Any issue or series of
36 refunding bonds or notes may be exchanged in part or
37 sold in parts in installments at different times or at
38 one time. The refunding bonds or notes may be sold or
39 exchanged at any time on, before, or after the
40 maturity of any of the outstanding notes, bonds or
41 other obligations to be refinanced thereby and may be
42 issued for the purpose of refunding a like or greater
43 principal amount of bonds or notes, except that the
44 principal amount of the refunding bonds or notes may
45 exceed the principal amount of the bonds or notes to
46 be refunded to the extent necessary to pay any premium
47 due on the call of the bonds or notes to be refunded
48 or to fund interest in arrears or about to become due.
49 Sec. ___. Section 262.78, subsection 6, Code 2005,
50 is amended by striking the subsection.

1 Sec. ___. Section 262A.5, unnumbered paragraph 1,
2 Code 2005, is amended to read as follows:
3 The board is authorized to borrow money under this
4 chapter, and the board may issue and sell negotiable
5 bonds to pay all or any part of the cost of carrying
6 out any project at any institution and may refund and
7 refinance bonds issued for any project or for
8 refunding purposes at the same rate or at a higher or
9 lower rate or rates of interest. Bonds issued under
10 the provisions of this chapter shall be sold by said
11 board at public sale on the basis of sealed proposals
12 received pursuant to a notice specifying the time and
13 place of sale and the amount of bonds to be sold which
14 shall be published at least once not less than seven
15 days prior to the date of sale in a newspaper
16 published in the state of Iowa and having a general
17 circulation in said state. The provisions of chapter
18 75 shall ~~not~~ apply to bonds issued under authority
19 contained in this chapter~~, but such bonds shall be~~
20 ~~sold upon terms of not less than par plus accrued~~
21 ~~interest~~ to the extent not in conflict with this
22 chapter. Bonds issued to refund other bonds issued
23 under the provisions of this chapter may either be
24 sold in the manner hereinbefore specified and the
25 proceeds thereof applied to the payment of the
26 obligations being refunded, or the refunding bonds may
27 be exchanged for and in payment and discharge of the
28 obligations being refunded. The refunding bonds may
29 be sold or exchanged in installments at different
30 times or an entire issue or series may be sold or
31 exchanged at one time. Any issue or series of
32 refunding bonds may be exchanged in part or sold in
33 parts in installments at different times or at one
34 time. The refunding bonds may be sold or exchanged at
35 any time on, before, or after the maturity of any of
36 the outstanding bonds or other obligations to be
37 refinanced thereby and may be issued for the purpose
38 of refunding a like or greater principal amount of
39 bonds, except that the principal amount of the
40 refunding bonds may exceed the principal amount of the
41 bonds to be refunded to the extent necessary to pay
42 any premium due on the call of the bonds to be
43 refunded or to fund interest in arrears or which is to
44 become due.
45 Sec. ___. Section 266.39F, subsection 2,
46 unnumbered paragraph 2, Code 2005, is amended to read
47 as follows:
48 The provisions of section 262.9, subsection 7, ~~and~~
49 ~~section 262.10,~~ shall not apply to the sale of any
50 portion of land to be sold in accordance with this

1 section or to the use of the proceeds from the sale of
2 the land.
3 Sec. ___. Section 573.12, subsection 1, unnumbered
4 paragraph 1, Code 2005, is amended to read as follows:
5 Payments made under contracts for the construction
6 of public improvements, unless provided otherwise by
7 law, shall be made on the basis of monthly estimates
8 of labor performed and material delivered, as
9 determined by the project architect or engineer. The
10 public corporation shall retain from each monthly
11 payment not more than five percent of that amount
12 which is determined to be due according to the
13 estimate of the architect or engineer. ~~However,~~
14 ~~institutions governed pursuant to chapter 262 may, on~~
15 ~~contracts where a bond is required under section~~
16 ~~573.2, make payments under this section without~~
17 ~~retention until ninety-five percent of the contract~~
18 ~~amount has been paid and the remaining five percent of~~
19 ~~the contract amount shall be paid as provided under~~
20 ~~section 573.14.~~
21 Sec. ___. Section 573.14, unnumbered paragraph 2,
22 Code 2005, is amended to read as follows:
23 The public corporation shall order payment of any
24 amount due the contractor to be made in accordance
25 with the terms of the contract. Except as provided in
26 section 573.12 for progress payments, failure to make
27 payment pursuant to this section, of any amount due
28 the contractor, within forty days, unless a greater
29 time period not to exceed fifty days is specified in
30 the contract documents, after the work under the
31 contract has been completed and if the work has been
32 accepted and all required materials, certifications,
33 and other documentations required to be submitted by
34 the contractor and specified by the contract have been
35 furnished the awarding public corporation by the
36 contractor, shall cause interest to accrue on the
37 amount unpaid to the benefit of the unpaid party.
38 Interest shall accrue during the period commencing the
39 thirty-first day following the completion of work and
40 satisfaction of the other requirements of this
41 paragraph and ending on the date of payment. The rate
42 of interest shall be determined by the period of time
43 during which interest accrues, and shall be the same
44 as the rate of interest that is in effect under
45 section 12C.6, as of the day interest begins to
46 accrue, for a deposit of public funds for a comparable
47 period of time. <u>However, for institutions governed</u>
48 <u>pursuant to chapter 262, the rate of interest shall be</u>
49 <u>determined by the period of time during which interest</u>
50 <u>accrues, and shall be calculated as the prime rate</u>

1 plus one percent per year as of the day interest
2 begins to accrue. This paragraph does not abridge any
3 of the rights set forth in section 573.16. Except as
4 provided in sections 573.12 and 573.16, interest shall
5 not accrue on funds retained by the public corporation
6 to satisfy the provisions of this section regarding
7 claims on file. This chapter does not apply if the
8 public corporation has entered into a contract with
9 the federal government or accepted a federal grant
10 which is governed by federal law or rules that are
11 contrary to the provisions of this chapter. For
12 purposes of this unnumbered paragraph, "prime rate"
13 means the prime rate charged by banks on short-term
14 business loans, as determined by the board of
15 governors of the federal reserve system and published
16 in the federal reserve bulletin.
17 Sec. ___. Sections 262.64A, 262.67, 262A.3,
18 262A.6A, 263A.11, 265.6, and 473.12, Code 2005, are
19 repealed.
20 DIVISION
21 ENTREPRENEURS WITH DISABILITIES
22 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
23 -- TRANSFER OF ADMINISTRATION. The department of
24 economic development shall transfer the administrative
25 duties of the entrepreneurs with disabilities program
26 to the Iowa finance authority. The authority shall
27 adopt rules pursuant to chapter 17A for purposes of
28 administering the program. Any contract entered into
29 under the program by the department of economic
30 development remains valid. The transfer of
31 administrative duties to the authority shall not
32 constitute grounds for recision or modification of a
33 contract under the program entered into with the
34 department.
35 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
36 -- APPROPRIATION. For the fiscal year beginning July
37 1, 2005, and ending June 30, 2006, there is
38 appropriated from the general fund of the state to the
39 Iowa finance authority two hundred thousand dollars
40 for purposes of the entrepreneurs with disabilities
41 program.
42 DIVISION
43 GRAPE AND WINE DEVELOPMENT
44 Sec. ___. Section 175A.1, subsection 2, Code 2005,
45 is amended to read as follows:
46 2. "Department" means the Iowa department of
47 ~~agriculture and land stewardship~~ economic development
48 as created in section 15.105.
49 Sec. ___. Section 175A.1, Code 2005, is amended by
50 adding the following new subsection:

1 NEW SUBSECTION. 2A. "Director" means the director
2 of the department as appointed by the governor
3 pursuant to section 15.105.
4 Sec. ___. Section 175A.2, subsection 1, paragraph
5 a, subparagraph (1), Code 2005, is amended to read as
6 follows:
7 (1) The ~~secretary of agriculture~~ director.
8 Sec. ___. Section 175A.2, subsection 1, paragraph
9 a, subparagraph (3), Code 2005, is amended by striking
10 the paragraph.
11 Sec. ___. Section 175A.2, subsection 1, paragraph
12 b, unnumbered paragraph 1, Code 2005, is amended to
13 read as follows:
14 The following persons appointed by the ~~secretary of~~
15 ~~agriculture~~ director, who shall serve as voting
16 members:
17 Sec. ___. Section 175A.2, subsection 1, unnumbered
18 paragraph 2, Code 2005, is amended to read as follows:
19 The ~~secretary of agriculture~~ director shall appoint
20 the voting members based on a list of nominations
21 submitted by organizations representing growers,
22 winemakers, and retail sellers as certified by the
23 department according to requirements of the
24 department. Appointments of voting members are
25 subject to the requirements of sections 69.16 and
26 69.16A. In addition, the appointments shall be
27 geographically balanced. Unless the ~~secretary of~~
28 ~~agriculture~~ director determines that it is not
29 feasible, at least one person appointed as a voting
30 member shall reside in each of the state's
31 congressional districts at the time of appointment.
32 The ~~secretary of agriculture's~~ director's appointees
33 shall be confirmed by the senate, pursuant to section
34 2.32.
35 Sec. ___. Section 175A.2, subsection 2, Code 2005,
36 is amended to read as follows:
37 2. The voting members shall serve three-year terms
38 beginning and ending as provided in section 69.19.
39 ~~However, the secretary of agriculture shall appoint~~
40 ~~initial members to serve for less than three years to~~
41 ~~ensure members serve staggered terms.~~ A member is
42 eligible for reappointment. A vacancy on the
43 commission shall be filled for the unexpired portion
44 of the regular term in the same manner as regular
45 appointments are made.
46 Sec. ___. TRANSITIONAL PROVISIONS.
47 1. Any agreement made by the department of
48 agriculture and land stewardship which is executed
49 pursuant to chapter 175A and which is in effect on the
50 effective date of the amendments to sections 175A.1

1 and 175A.2 in this division of this Act shall continue
2 in full force and effect until the agreement expires
3 by its terms or is amended, terminated, or
4 supplemented by the affirmative action of the Iowa
5 department of economic development.
6 2. Any rule, regulation, form, order, or directive
7 adopted or issued by the department of agriculture and
8 land stewardship pursuant to chapter 175A which is in
9 effect on the effective date of amendments to sections
10 175A.1 and 175A.2 in this division of this Act shall
11 continue in full force and effect until amended,
12 repealed, or supplemented by the affirmative action of
13 the Iowa department of economic development as
14 provided in chapter 17A.
15 3. A person who holds a position as a member of
16 the grape and wine development commission who was
17 appointed by the secretary of agriculture pursuant to
18 section 175A.2 prior to the effective date of
19 amendments to sections 175A.1 and 175A.2 in this
20 division of this Act shall continue to hold such
21 position until the end of the member's term of office.
22 Sec. ___. EFFECTIVE DATE. The amendments to
23 sections 175.1 and 175.2 in this division of this Act
24 which provide for the transfer of administrative
25 duties and powers of chapter 175A from the department
26 of agriculture and land stewardship to the Iowa
27 department of economic development and transitional
28 provisions applying to that transfer as provided in
29 this division of this Act take effect upon enactment.
30 43. Page 48, by inserting after line 26 the
31 following:
32 "DIVISION
33 RENEWABLE ENERGY GENERATION AND TAX CREDITS
34 Sec. ___. Section 422.11J, Code 2005, is amended
35 to read as follows:
36 422.11J ~~WIND ENERGY PRODUCTION~~ TAX ~~CREDIT~~ CREDITS
37 FOR WIND ENERGY PRODUCTION AND RENEWABLE ENERGY.
38 The taxes imposed under this division, less the
39 credits allowed under sections 422.12 and 422.12B,
40 shall be reduced by ~~a wind energy production~~ tax
41 ~~credit~~ credits for wind energy production allowed
42 under chapter 476B and for renewable energy allowed
43 under chapter 476C.
44 Sec. ___. Section 422.33, subsection 16, Code
45 2005, is amended to read as follows:
46 16. The taxes imposed under this division shall be
47 reduced by ~~a wind energy production~~ tax ~~credit~~ credits
48 for wind energy production allowed under chapter 476B
49 and for renewable energy allowed under chapter 476C.
50 Sec. ___. Section 422.60, subsection 8, Code 2005,

1 is amended to read as follows:
2 8. The taxes imposed under this division shall be
3 reduced by ~~a wind energy production~~ tax ~~credit~~ credits
4 for wind energy production allowed under chapter 476B
5 and for renewable energy allowed under chapter 476C.
6 Sec. ___. Section 423.4, Code 2005, is amended by
7 adding the following new subsection:
8 NEW SUBSECTION. 4. A person in possession of a
9 renewable energy tax credit certificate issued
10 pursuant to chapter 476C may apply to the director for
11 refund of the amount of sales or use tax imposed and
12 paid upon purchases made by the applicant.
13 a. The refunds may be obtained only in the
14 following manner and under the following conditions:
15 (1) On forms furnished by the department and filed
16 by January 31 after the end of the calendar year in
17 which the tax credit certificate is to be applied, the
18 applicant shall report to the department the total
19 amount of sales and use tax paid during the reporting
20 period on purchases made by the applicant.
21 (2) The applicant shall separately list the
22 amounts of sales and use tax paid during the reporting
23 period.
24 (3) If required by the department, the applicant
25 shall prove that the person making the sales has
26 included the amount thereof in the computation of the
27 sales price of such person and that such person has
28 paid the tax levied by this subchapter or subchapter
29 III, based upon such computation of the sales price.
30 (4) The applicant shall provide the tax credit
31 certificates issued pursuant to chapter 476C to the
32 department with the forms required by this paragraph
33 "a".
34 b. If satisfied that the foregoing conditions and
35 requirements have been complied with, the director
36 shall refund the amount claimed by the applicant for
37 an amount not greater than the amount of tax credits
38 issued in tax credit certificates pursuant to chapter
39 476C.
40 Sec. ___. Section 432.12E, Code 2005, is amended
41 to read as follows:
42 432.12E ~~WIND ENERGY PRODUCTION~~ TAX ~~CREDIT~~ CREDITS
43 FOR WIND ENERGY PRODUCTION AND RENEWABLE ENERGY.
44 The taxes imposed under this chapter shall be
45 reduced by ~~a wind energy production~~ tax ~~credit~~ credits
46 for wind energy production allowed under chapter 476B
47 and for renewable energy allowed under chapter 476C.
48 Sec. ___. NEW SECTION. 437A.17B REIMBURSEMENT
49 FOR RENEWABLE ENERGY.
50 A person in possession of a renewable energy tax

1 credit certificate issued pursuant to chapter 476C may
2 apply to the director for a reimbursement of the
3 amount of taxes imposed and paid by the person
4 pursuant to this chapter in an amount not more than
5 the person received in renewable energy tax credit
6 certificates pursuant to chapter 476C. To obtain the
7 reimbursement, the person shall attach to the return
8 required under section 437A.8 the renewable energy tax
9 credit certificates issued to the person pursuant to
10 chapter 476C, and provide any other information the
11 director may require. The director shall direct a
12 warrant to be issued to the person for an amount equal
13 to the tax imposed and paid by the person pursuant to
14 this chapter but for not more than the amount of the
15 renewable energy tax credit certificates attached to
16 the return.
17 Sec. ___. NEW SECTION. 476C.1 DEFINITIONS.
18 For purposes of this chapter, unless the context
19 otherwise requires:
20 1. "Anaerobic digester system" means a system of
21 components that processes plant or animal materials
22 based on the absence of oxygen and produces methane or
23 other biogas used to generate electricity, hydrogen
24 fuel, or heat for a commercial purpose.
25 2. "Biogas recovery facility" means an anaerobic
26 digester system that is located in this state.
27 3. "Biomass conversion facility" means a facility
28 in this state that converts plant-derived organic
29 matter including, but not limited to, agricultural
30 food and feed crops, crop wastes and residues, wood
31 wastes and residues, or aquatic plants to generate
32 electricity, hydrogen fuel, or heat for a commercial
33 purpose.
34 4. "Board" means the utilities board within the
35 utilities division of the department of commerce.
36 5. "Department" means the department of revenue.
37 6. "Eligible renewable energy facility" means a
38 wind energy conversion facility, a biogas recovery
39 facility, a biomass conversion facility, a methane gas
40 recovery facility, or a solar energy conversion
41 facility that meets all of the following requirements:
42 a. Is located in this state.
43 b. Is at least fifty-one percent owned by one or
44 more of any combination of the following:
45 (1) A resident of this state.
46 (2) Any of the following as defined in section
47 9H.1:
48 (a) An authorized farm corporation.
49 (b) An authorized limited liability company.
50 (c) An authorized trust.

1 (d) A family farm corporation.
2 (e) A family farm limited liability company.
3 (f) A family trust.
4 (g) A revocable trust.
5 (h) A testamentary trust.
6 (3) A small business as defined in section 15.102.
7 (4) An electric cooperative association organized
8 pursuant to chapter 499 that sells electricity to end
9 users located in this state.
10 (5) An electric cooperative association that has
11 one or more members organized pursuant to chapter 499.
12 (6) A cooperative corporation organized pursuant
13 to chapter 497 or a limited liability corporation
14 organized pursuant to chapter 490A whose shares and
15 membership are held by an entity that is not
16 prohibited from owning agricultural land under chapter
17 9H.
18 (7) A school district located in this state.
19 c. Has at least one owner that meets the
20 requirements of paragraph "b" for each two and one-
21 half megawatts of nameplate generating capacity or the
22 energy production capacity equivalent for hydrogen
23 fuel or heat for a commercial purpose of the otherwise
24 eligible renewable energy facility.
25 d. Was initially placed into service on or after
26 July 1, 2005, and before January 1, 2011, or on or
27 after February 1, 2005, and before January 1, 2011, if
28 the facility meets the requirements of subsection 6,
29 paragraph "b", subparagraph (7).
30 7. "Energy production capacity equivalent" means
31 the amount of energy in a standard cubic foot of
32 hydrogen gas or the number of British thermal units
33 that are equal to the energy in a kilowatt-hour of
34 electricity. For the purposes of this chapter, one
35 kilowatt-hour shall be deemed equivalent to three
36 thousand three hundred thirty-three British thermal
37 units of heat or ten and forty-five one hundredths of
38 standard cubic feet of hydrogen gas.
39 8. "Heat for a commercial purpose" means the heat
40 in British thermal unit equivalents from methane or
41 other biogas produced in this state sold to a
42 purchaser of renewable energy for use for a commercial
43 purpose.
44 9. "Hydrogen fuel" means hydrogen produced in this
45 state from a renewable source that is used in a fuel
46 cell or hydrogen-powered internal combustion engine.
47 10. "Methane gas recovery facility" means a
48 facility in this state which is used in connection
49 with a sanitary landfill or which uses wastes that
50 would otherwise be deposited in a sanitary landfill,

1 that collects methane gas or other gases and converts
2 the gas into energy to generate electricity, hydrogen
3 fuel, or heat for a commercial purpose.
4 11. "Producer of renewable energy" means a person
5 who owns an eligible renewable energy facility.
6 12. "Purchaser of renewable energy" means a person
7 who buys electric energy, hydrogen fuel, methane gas
8 or other biogas used to generate electricity, or heat
9 for a commercial purpose from an eligible renewable
10 energy facility.
11 13. "Solar energy conversion facility" means a
12 solar energy facility in this state that collects and
13 converts incident solar radiation into energy to
14 generate electricity.
15 14. "Wind energy conversion facility" means a wind
16 energy conversion system in this state that collects
17 and converts wind into energy to generate electricity.
18 Sec. ___. NEW SECTION. 476C.2 TAX CREDIT AMOUNT
19 -- LIMITATIONS.
20 1. A producer or purchaser of renewable energy may
21 receive renewable energy tax credits under this
22 chapter in an amount equal to one and one-half cents
23 per kilowatt-hour of electricity, or four dollars and
24 fifty cents per million British thermal units of heat
25 for a commercial purpose, or four dollars and fifty
26 cents per million British thermal units of methane gas
27 or other biogas used to generate electricity, or one
28 dollar and forty-four cents per one thousand standard
29 cubic feet of hydrogen fuel generated by and purchased
30 from an eligible renewable energy facility.
31 2. The renewable energy tax credit shall not be
32 allowed for any kilowatt-hour of electricity, British
33 thermal unit of heat for a commercial purpose, British
34 thermal unit of methane gas or other biogas used to
35 generate electricity, or standard cubic foot of
36 hydrogen fuel that is purchased from an eligible
37 renewable energy facility by a related person. For
38 purposes of this subsection, persons shall be treated
39 as related to each other if either person owns an
40 eighty percent or more equity interest in the other
41 person.
42 Sec. ___. NEW SECTION. 476C.3 DETERMINATION OF
43 ELIGIBILITY.
44 1. A producer or purchaser of renewable energy may
45 apply to the board for a written determination
46 regarding whether a facility is an eligible renewable
47 energy facility by submitting to the board a written
48 application containing all of the following:
49 a. Information regarding the ownership of the
50 facility including the percentage of equity interest

1 held by each owner.
2 b. The nameplate generating capacity of the
3 facility or energy production capacity equivalent.
4 c. Information regarding the facility's initial
5 placement in service.
6 d. Information regarding the type of facility and
7 what type of renewable energy the facility will
8 produce.
9 e. A copy of the power purchase agreement or other
10 agreement to purchase electricity, hydrogen fuel,
11 methane or other biogas, or heat for a commercial
12 purpose which shall designate either the producer or
13 purchaser of renewable energy as eligible to apply for
14 the renewable energy tax credit.
15 f. Any other information the board may require.
16 2. The board shall review the application and
17 supporting information and shall make a preliminary
18 determination regarding whether the facility is an
19 eligible renewable energy facility. The board shall
20 notify the applicant of the approval or denial of the
21 application within thirty days of receipt of the
22 application and information required. If the board
23 fails to notify the applicant of the approval or
24 denial within thirty days, the application shall be
25 deemed denied. An applicant who receives a
26 determination denying an application may file an
27 appeal with the board within thirty days from the date
28 of the denial pursuant to the provisions of chapter
29 17A. In the absence of a timely appeal, the
30 preliminary determination shall be final. If the
31 application is incomplete, the board may grant an
32 extension of time for the provision of additional
33 information.
34 3. A facility that is not operational within
35 eighteen months after issuance of an approval for the
36 facility by the board shall cease to be an eligible
37 renewable energy facility. A facility that is granted
38 and thereafter loses approval may reapply to the board
39 for a new determination.
40 4. The maximum amount of nameplate generating
41 capacity of all wind energy conversion facilities the
42 board may find eligible under this chapter shall not
43 exceed ninety megawatts of nameplate generating
44 capacity. The maximum amount of energy production
45 capacity equivalent of all other facilities the board
46 may find eligible under this chapter shall not exceed
47 a combined output of ten megawatts of nameplate
48 generating capacity.
49 5. An owner meeting the requirements of section
50 476C.1, subsection 6, paragraph "b" shall not be an

1 owner of more than two eligible renewable energy
2 facilities.
3 Sec. ___. NEW SECTION. 476C.4 TAX CREDIT
4 CERTIFICATE PROCEDURE.
5 1. A producer or purchaser of renewable energy may
6 apply to the board for the renewable energy tax credit
7 by submitting to the board all of the following:
8 a. A completed application in a form prescribed by
9 the board.
10 b. A copy of the determination granting approval
11 of the facility as an eligible renewable energy
12 facility by the board.
13 c. A copy of a signed power purchase agreement or
14 other agreement to purchase electricity, hydrogen
15 fuel, methane or other biogas, or heat for a
16 commercial purpose from an eligible renewable energy
17 facility which shall designate either the producer or
18 purchaser of renewable energy as eligible to apply for
19 the renewable energy tax credit.
20 d. Sufficient documentation that the electricity,
21 heat for a commercial purpose, methane gas or other
22 biogas, or hydrogen fuel has been generated by the
23 eligible renewable energy facility and sold to the
24 purchaser of renewable energy.
25 e. Any other information the board deems
26 necessary.
27 2. The board shall notify the department of the
28 amount of kilowatt-hours, British thermal units of
29 heat for a commercial purpose, British thermal units
30 of methane gas or other biogas used to generate
31 electricity, or standard cubic feet of hydrogen fuel
32 generated and purchased from an eligible renewable
33 energy facility. The department shall calculate the
34 amount of the tax credit for which the applicant is
35 eligible and shall issue the tax credit certificate
36 for that amount or notify the applicant in writing of
37 its refusal to do so. An applicant whose application
38 is denied may file an appeal with the department
39 within sixty days from the date of the denial pursuant
40 to the provisions of chapter 17A.
41 3. Each tax credit certificate shall contain the
42 person's name, address, and tax identification number,
43 the amount of tax credits, the first taxable year the
44 certificate may be used, the type of tax to which the
45 tax credits shall be applied, and any other
46 information required by the department. The tax
47 credit certificate shall only list one type of tax to
48 which the amount of the tax credit may be applied.
49 Once issued by the department, the tax credit
50 certificate shall not be terminated or rescinded.

1 4. If the tax credit application is filed by a
2 partnership, limited liability company, S corporation,
3 estate, trust, or other reporting entity all of the
4 income of which is taxed directly to its equity
5 holders or beneficiaries, for the taxes imposed under
6 chapter 422, division II or III, the tax credit
7 certificate shall be issued directly to equity holders
8 or beneficiaries of the applicant in proportion to
9 their pro rata share of the income of such entity.
10 The applicant shall, in the application made under
11 this section, identify its equity holders or
12 beneficiaries, and the percentage of such entity's
13 income that is allocable to each equity holder or
14 beneficiary. If the tax credit application is filed
15 by a partnership, limited liability company, S
16 corporation, estate, trust, or other reporting entity,
17 all of whose income is taxed directly to its equity
18 holders or beneficiaries for the taxes imposed under
19 chapter 422, division V, or under chapter 423, 432, or
20 437A, the tax credit certificate shall be issued
21 directly to the partnership, limited liability
22 company, S corporation, estate, trust, or other
23 reporting entity.
24 5. The department shall not issue a tax credit
25 certificate if the facility approved by the board as
26 an eligible renewable energy facility is not
27 operational within eighteen months after the approval
28 is issued.
29 6. The department shall not issue a tax credit
30 certificate to any person who has received a tax
31 credit pursuant to chapter 476B.
32 7. Once a tax credit certificate is issued
33 pursuant to this section, the tax credit may only be
34 claimed against the type of tax reflected on the
35 certificate.
36 Sec. ___. NEW SECTION. 476C.5 CERTIFICATE
37 ISSUANCE PERIOD.
38 A producer or purchaser of renewable energy may
39 receive renewable energy tax credit certificates for a
40 ten-year period for each eligible renewable energy
41 facility under this chapter. The ten-year period for
42 issuance of the tax credit certificates begins with
43 the date the purchaser of renewable energy first
44 purchases electricity, hydrogen fuel, methane gas or
45 other biogas used to generate electricity, or heat for
46 commercial purposes from the eligible renewable energy
47 facility for which a tax credit is issued under this
48 chapter. Renewable energy tax credit certificates
49 shall not be issued for renewable energy purchased
50 after December 31, 2020.

1 Sec. ___. NEW SECTION. 476C.6 TRANSFERABILITY
2 AND USE OF TAX CREDIT CERTIFICATES -- REGISTRATION.
3 1. Renewable energy tax credit certificates issued
4 under this chapter may be transferred to any person.
5 A tax credit certificate shall only be transferred
6 once. However, for purposes of this transfer
7 provision, a decision between a producer and purchaser
8 of renewable energy regarding who claims the tax
9 credit issued pursuant to this chapter shall not be
10 considered a transfer and must be set forth in the
11 application for the tax credit pursuant to section
12 476C.4. Within thirty days of transfer, the
13 transferee must submit the transferred tax credit
14 certificate to the department along with a statement
15 containing the transferee's name, tax identification
16 number, and address, and the denomination that each
17 new certificate is to carry and any other information
18 required by the department. Within thirty days of
19 receiving the transferred tax credit certificate and
20 the transferee's statement, the department shall issue
21 one or more replacement tax credit certificates to the
22 transferee. Each replacement tax credit certificate
23 must contain the information required under section
24 476C.4, subsection 3, and must have the same effective
25 taxable year and the same expiration date that
26 appeared in the transferred tax credit certificate.
27 Tax credit certificate amounts of less than the
28 minimum amount established by rule shall not be
29 transferable. A tax credit shall not be claimed by a
30 transferee under this chapter until a replacement tax
31 credit certificate identifying the transferee as the
32 proper holder has been issued. The replacement tax
33 credit certificate may reflect a different type of tax
34 than the type of tax noted on the original tax credit
35 certificate.
36 The transferee may use the amount of the tax credit
37 transferred against taxes imposed under chapter 422,
38 divisions II, III, and V, and chapter 432 for any tax
39 year the original transferor could have claimed the
40 tax credit. The transferee may claim a refund under
41 chapter 423 or 437A for any tax year within the time
42 period set forth in section 423.47 or 437A.14 for
43 which the original transferor could have claimed the
44 refund. Any consideration received for the transfer
45 of the tax credit shall not be included as income
46 under chapter 422, divisions II, III, and V. Any
47 consideration paid for the transfer of the tax credit
48 shall not be deducted from income under chapter 422,
49 divisions II, III, and V.
50 2. To claim a renewable energy tax credit under

1 this chapter, a taxpayer must attach one or more tax
2 credit certificates to the taxpayer's tax return, or
3 if used against taxes imposed under chapter 423, the
4 taxpayer shall comply with section 423.4, or if used
5 against taxes imposed under chapter 437A, the taxpayer
6 shall comply with section 437A.17B, subsection 4. A
7 tax credit certificate shall not be used or attached
8 to a return filed for a taxable year beginning prior
9 to July 1, 2006. The tax credit certificate or
10 certificates attached to the taxpayer's tax return
11 shall be issued in the taxpayer's name, expire on or
12 after the last day of the taxable year for which the
13 taxpayer is claiming the tax credit, and show a tax
14 credit amount equal to or greater than the tax credit
15 claimed on the taxpayer's tax return. Any tax credit
16 in excess of the taxpayer's tax liability for the
17 taxable year may be credited to the taxpayer's tax
18 liability for the following seven tax years or until
19 the credit is depleted, whichever is earlier. If the
20 tax credit is applied against the taxes imposed under
21 chapter 423 or 437A, any credit in excess of the
22 taxpayer's tax liability is carried over and can be
23 filed with the refund claim for the following seven
24 tax years or until depleted, whichever is earlier.
25 However, the certificate shall not be used to reduce
26 tax liability for a tax period ending after the
27 expiration date of the certificate.
28 3. The department shall develop a system for the
29 registration of the renewable energy tax credit
30 certificates issued or transferred under this chapter
31 and a system that permits verification that any tax
32 credit claimed on a tax return is valid and that
33 transfers of the tax credit certificates are made in
34 accordance with the requirements of this chapter. The
35 tax credit certificates issued under this chapter
36 shall not be classified as a security pursuant to
37 chapter 502.
38 Sec. ___. NEW SECTION. 476C.7 RULES.
39 The department and the board may adopt rules
40 pursuant to chapter 17A for the administration and
41 enforcement of this chapter.
42 Sec. ___. EFFECTIVE DATE. This division of this
43 Act, being deemed of immediate importance, takes
44 effect upon enactment."
45 44. Page 48, by inserting after line 26 the
46 following:
47 "DIVISION
48 PROVISIONS RELATING TO THE PRACTICE OF PHARMACY
49 Sec. ___. Section 155A.3, subsection 11, Code
50 2005, is amended to read as follows:

1 11. "Dispense" means to deliver a prescription
2 drug, device, or controlled substance to an ultimate
3 user or research subject by or pursuant to the lawful
4 prescription drug order or medication order of a
5 practitioner, including the prescribing,
6 administering, packaging, labeling, or compounding
7 necessary to prepare the substance for that delivery.
8 Sec. ___. Section 155A.3, Code 2005, is amended by
9 adding the following new subsection:
10 NEW SUBSECTION. 22A. "Logistics provider" means
11 an entity that provides or coordinates warehousing,
12 distribution, or other services on behalf of a
13 manufacturer or other owner of a drug, but does not
14 take title to the drug or have general responsibility
15 to direct its sale or other disposition.
16 Sec. ___. Section 155A.3, Code 2005, is amended by
17 adding the following new subsection:
18 NEW SUBSECTION. 23A. "Pedigree" means a recording
19 of each distribution of any given drug or device, from
20 the sale by the manufacturer through acquisition and
21 sale by any wholesaler, pursuant to rules adopted by
22 the board.
23 Sec. ___. Section 155A.3, subsection 33, paragraph
24 b, Code 2005, is amended to read as follows:
25 b. A drug or device that under federal law is
26 required, prior to being dispensed or delivered, to be
27 labeled with ~~either~~ one of the following statements:
28 (1) Caution: Federal law prohibits dispensing
29 without a prescription.
30 (2) Caution: Federal law restricts this drug to
31 use by or on the order of a licensed veterinarian.
32 (3) Caution: Federal law restricts this device to
33 sale by, or on the order of, a physician.
34 (4) Rx only.
35 Sec. ___. Section 155A.3, subsection 35, Code
36 2005, is amended to read as follows:
37 35. "Proprietary medicine" or "over-the-counter
38 medicine" means a nonnarcotic drug or device that may
39 be sold without a prescription and that is labeled and
40 packaged in compliance with applicable state or
41 federal law.
42 Sec. ___. Section 155A.3, subsection 38, Code
43 2005, is amended to read as follows:
44 38. "Wholesaler" means a person operating or
45 maintaining, either within or outside this state, a
46 manufacturing plant, wholesale distribution center,
47 wholesale business, or any other business in which
48 prescription drugs or devices, medicinal chemicals,
49 medicines, or poisons are sold, manufactured,
50 compounded, dispensed, stocked, exposed, distributed

1 from, or offered for sale at wholesale in this state.
2 "Wholesaler" does not include those wholesalers who
3 sell only proprietary or over-the-counter medicines.
4 "Wholesaler" also does not include a commercial
5 carrier that temporarily stores prescription drugs or
6 devices, medicinal chemicals, medicines, or poisons
7 while in transit.
8 Sec. ___. Section 155A.4, subsection 2, paragraph
9 a, Code 2005, is amended to read as follows:
10 a. A ~~manufacturer or~~ wholesaler to distribute
11 prescription drugs or devices as provided by state or
12 federal law.
13 Sec. ___. Section 155A.13, subsection 6,
14 unnumbered paragraph 1, Code 2005, is amended to read
15 as follows:
16 To qualify for a pharmacy license, the applicant
17 shall submit to the board a license fee as determined
18 by the board and a completed application on a form
19 prescribed by the board ~~that shall include the~~
20 ~~following information and~~. The application shall
21 include the following and such other information as
22 required by rules of the board and shall be given
23 under oath:
24 Sec. ___. Section 155A.17, subsection 2, Code
25 2005, is amended to read as follows:
26 2. The board shall establish standards for drug
27 wholesaler licensure and may define specific types of
28 wholesaler licenses. The board may deny, suspend, or
29 revoke a drug wholesale license for failure to meet
30 the applicable standards or for a violation of the
31 laws of this state, another state, or the United
32 States relating to prescription drugs, devices, or
33 controlled substances, or for a violation of this
34 chapter, chapter 124, 124A, 124B, 126, or 205, or a
35 rule of the board.
36 Sec. ___. Section 155A.17, subsection 3, Code
37 2005, is amended to read as follows:
38 3. The board shall adopt rules pursuant to chapter
39 17A on matters pertaining to the issuance of a
40 wholesale drug license. The rules shall provide for
41 conditions of licensure, compliance standards,
42 licensure fees, disciplinary action, and other
43 relevant matters. Additionally, the rules shall
44 establish provisions or exceptions for pharmacies,
45 chain pharmacy distribution centers, logistics
46 providers, and other types of wholesalers relating to
47 pedigree requirements, drug or device returns, and
48 other related matters, so as not to prevent or
49 interfere with usual, customary, and necessary
50 business activities.

1 Sec. ___. Section 155A.19, subsection 1, paragraph
2 f, Code 2005, is amended by striking the paragraph and
3 inserting in lieu thereof the following:
4 f. Change of legal name or doing-business-as name.
5 Sec. ___. Section 155A.19, Code 2005, is amended
6 by adding the following new subsection:
7 NEW SUBSECTION. 3. A wholesaler shall report in
8 writing to the board, pursuant to its rules, the
9 following:
10 a. Permanent closing or discontinuation of
11 wholesale distributions into this state.
12 b. Change of ownership.
13 c. Change of location.
14 d. Change of the wholesaler's responsible
15 individual.
16 e. Change of legal name or doing-business-as name.
17 f. Theft or significant loss of any controlled
18 substance on discovery of the theft or loss.
19 g. Disasters, accidents, and emergencies that may
20 affect the strength, purity, or labeling of drugs,
21 medications, devices, or other materials used in the
22 diagnosis or the treatment of injury, illness, and
23 disease.
24 h. Other information or activities as required by
25 rule.
26 Sec. ___. Section 155A.20, subsection 1, Code
27 2005, is amended to read as follows:
28 1. A person, other than a pharmacy or wholesaler
29 licensed under this chapter, shall not display in or
30 on any store, internet site, or place of business, nor
31 use in any advertising or promotional literature,
32 communication, or representation, the word or words:
33 "apothecary", "drug", "drug store", or "pharmacy",
34 either in English or any other language, any other
35 word or combination of words of the same or similar
36 meaning, or any graphic representation in a manner
37 that would mislead the public ~~unless it is a pharmacy~~
38 ~~or drug wholesaler licensed under this chapter~~.
39 Sec. ___. Section 155A.21, Code 2005, is amended
40 to read as follows:
41 155A.21 UNLAWFUL POSSESSION OF PRESCRIPTION DRUG
42 OR DEVICE -- PENALTY.
43 1. A person found in possession of a drug or
44 device limited to dispensation by prescription, unless
45 the drug or device was so lawfully dispensed, commits
46 a serious misdemeanor.
47 2. Subsection 1 does not apply to a licensed
48 pharmacy, licensed wholesaler, physician,
49 veterinarian, dentist, podiatric physician,
50 therapeutically certified optometrist, advanced

1 registered nurse practitioner, physician assistant, a
2 nurse acting under the direction of a physician, or
3 the board of pharmacy examiners, its officers, agents,
4 inspectors, and representatives, nor to a common
5 carrier, manufacturer's representative, or messenger
6 when transporting the drug or device in the same
7 unbroken package in which the drug or device was
8 delivered to that person for transportation.
9 Sec. ___. Section 155A.23, Code 2005, is amended
10 to read as follows:
11 155A.23 PROHIBITED ACTS.
12 A person shall not perform or cause the performance
13 of or aid and abet any of the following acts:
14 1. ~~Obtain or attempt~~ Obtaining or attempting to
15 obtain a prescription drug or device or ~~procure or~~
16 ~~attempt~~ procuring or attempting to procure the
17 administration of a prescription drug or device by:
18 a. ~~Fraud~~ Engaging in fraud, deceit,
19 misrepresentation, or subterfuge.
20 b. ~~Forgery or alteration of~~ Forging or altering a
21 written, electronic, or facsimile prescription or ~~of~~
22 any written, electronic, or facsimile order.
23 c. ~~Concealment of~~ Concealing a material fact.
24 d. ~~Use of~~ Using a false name or ~~the~~ giving ~~of~~ a
25 false address.
26 2. Willfully ~~make~~ making a false statement in any
27 prescription, report, or record required by this
28 chapter.
29 3. For the purpose of obtaining a prescription
30 drug or device, falsely ~~assume~~ assuming the title of
31 or ~~claim~~ claiming to be a manufacturer, wholesaler,
32 pharmacist, pharmacy owner, physician, dentist,
33 podiatric physician, veterinarian, or other authorized
34 person.
35 4. ~~Make or utter~~ Making or uttering any false or
36 forged oral, written, electronic, or facsimile
37 prescription or oral, written, electronic, or
38 facsimile order.
39 5. ~~Affix any false or forged label to a package or~~
40 ~~receptacle containing prescription drugs~~ Forging,
41 counterfeiting, simulating, or falsely representing
42 any drug or device without the authority of the
43 manufacturer, or using any mark, stamp, tag, label, or
44 other identification device without the authorization
45 of the manufacturer.
46 6. Manufacturing, repackaging, selling,
47 delivering, or holding or offering for sale any drug
48 or device that is adulterated, misbranded,
49 counterfeit, suspected of being counterfeit, or that
50 has otherwise been rendered unfit for distribution.

1 7. Adulterating, misbranding, or counterfeiting
2 any drug or device.
3 8. Receiving any drug or device that is
4 adulterated, misbranded, stolen, obtained by fraud or
5 deceit, counterfeit, or suspected of being
6 counterfeit, and delivering or proffering delivery of
7 such drug or device for pay or otherwise.
8 9. Adulterating, mutilating, destroying,
9 obliterating, or removing the whole or any part of the
10 labeling of a drug or device or committing any other
11 act with respect to a drug or device that results in
12 the drug or device being misbranded.
13 10. Purchasing or receiving a drug or device from
14 a person who is not licensed to distribute the drug or
15 device to that purchaser or recipient.
16 11. Selling or transferring a drug or device to a
17 person who is not authorized under the law of the
18 jurisdiction in which the person receives the drug or
19 device to purchase or possess the drug or device from
20 the person selling or transferring the drug or device.
21 12. Failing to maintain or provide records as
22 required by this chapter, chapter 124, or rules of the
23 board.
24 13. Providing the board or any of its
25 representatives or any state or federal official with
26 false or fraudulent records or making false or
27 fraudulent statements regarding any matter within the
28 scope of this chapter, chapter 124, or rules of the
29 board.
30 14. Distributing at wholesale any drug or device
31 that meets any of the following conditions:
32 a. The drug or device was purchased by a public or
33 private hospital or other health care entity.
34 b. The drug or device was donated or supplied at a
35 reduced price to a charitable organization.
36 c. The drug or device was purchased from a person
37 not licensed to distribute the drug or device.
38 d. The drug or device was stolen or obtained by
39 fraud or deceit.
40 15. Failing to obtain a license or operating
41 without a valid license when a license is required
42 pursuant to this chapter or chapter 147.
43 16. Engaging in misrepresentation or fraud in the
44 distribution of a drug or device.
45 17. Distributing a drug or device to a patient
46 without a prescription drug order or medication order
47 from a practitioner licensed by law to use or
48 prescribe the drug or device.
49 18. Distributing a drug or device that was
50 previously dispensed by a pharmacy or distributed by a

1 practitioner except as provided by rules of the board.
2 19. Failing to report any prohibited act.
3 Information communicated to a physician in an
4 unlawful effort to procure a prescription drug or
5 device or to procure the administration of a
6 prescription drug shall not be deemed a privileged
7 communication.
8 Subsections 6 and 7 shall not apply to the
9 wholesale distribution by a manufacturer of a
10 prescription drug or device that has been delivered
11 into commerce pursuant to an application approved by
12 the federal food and drug administration.
13 Sec. ___. Section 155A.24, Code 2005, is amended
14 to read as follows:
15 155A.24 PENALTIES.
16 1. ~~A~~ Except as otherwise provided in this section,
17 a person who violates a provision of section 155A.23
18 or who sells or offers for sale, gives away, or
19 administers to another person any prescription drug or
20 device in violation of this chapter commits a public
21 offense and shall be punished as follows:
22 a. If the prescription drug is a controlled
23 substance, the person shall be punished pursuant to
24 ~~section 124.401, subsection 1, and section 124.411~~
25 chapter 124, division IV.
26 b. If the prescription drug is not a controlled
27 substance, the person, upon conviction of a first
28 offense, is guilty of a serious misdemeanor. For a
29 second offense, or if in case of a first offense the
30 offender previously has been convicted of any
31 violation of the laws of the United States or of any
32 state, territory, or district thereof relating to
33 prescription drugs or devices, the offender is guilty
34 of an aggravated misdemeanor. For a third or
35 subsequent offense or if in the case of a second
36 offense the offender previously has been convicted two
37 or more times in the aggregate of any violation of the
38 laws of the United States or of any state, territory,
39 or district thereof relating to prescription drugs or
40 devices, the offender is guilty of a class "D" felony.
41 2. A person who violates any provision of this
42 chapter by selling, giving away, or administering any
43 prescription drug or device to a minor is guilty of a
44 class "C" felony.
45 3. A wholesaler who, with intent to defraud or
46 deceive, fails to deliver to another person, when
47 required by rules of the board, complete and accurate
48 pedigree concerning a drug prior to transferring the
49 drug to another person is guilty of a class "C"
50 felony.

1 4. A wholesaler who, with intent to defraud or
2 deceive, fails to acquire, when required by rules of
3 the board, complete and accurate pedigree concerning a
4 drug prior to obtaining the drug from another person
5 is guilty of a class "C" felony.
6 5. A wholesaler who knowingly destroys, alters,
7 conceals, or fails to maintain, as required by rules
8 of the board, complete and accurate pedigree
9 concerning any drug in the person's possession is
10 guilty of a class "C" felony.
11 6. A wholesaler who is in possession of pedigree
12 documents required by rules of the board, and who
13 knowingly fails to authenticate the matters contained
14 in the documents as required, and who nevertheless
15 distributes or attempts to further distribute drugs is
16 guilty of a class "C" felony.
17 7. A wholesaler who, with intent to defraud or
18 deceive, falsely swears or certifies that the person
19 has authenticated any documents related to the
20 wholesale distribution of drugs or devices is guilty
21 of a class "C" felony.
22 8. A wholesaler who knowingly forges,
23 counterfeits, or falsely creates any pedigree, who
24 falsely represents any factual matter contained in any
25 pedigree, or who knowingly omits to record material
26 information required to be recorded in a pedigree is
27 guilty of a class "C" felony.
28 9. A wholesaler who knowingly purchases or
29 receives drugs or devices from a person not authorized
30 to distribute drugs or devices in wholesale
31 distribution is guilty of a class "C" felony.
32 10. A wholesaler who knowingly sells, barters,
33 brokers, or transfers a drug or device to a person not
34 authorized to purchase the drug or device under the
35 jurisdiction in which the person receives the drug or
36 device in a wholesale distribution is guilty of a
37 class "C" felony.
38 11. A person who knowingly manufacturers, sells,
39 or delivers, or who possesses with intent to sell or
40 deliver, a counterfeit, misbranded, or adulterated
41 drug or device is guilty of the following:
42 a. If the person manufactures or produces a
43 counterfeit, misbranded, or adulterated drug or
44 device; or if the quantity of a counterfeit,
45 misbranded, or adulterated drug or device being sold,
46 delivered, or possessed with intent to sell or deliver
47 exceeds one thousand units or dosages; or if the
48 violation is a third or subsequent violation of this
49 subsection, the person is guilty of a class "C"
50 felony.

1 b. If the quantity of a counterfeit, misbranded,
2 or adulterated drug or device being sold, delivered,
3 or possessed with intent to sell or deliver exceeds
4 one hundred units or dosages but does not exceed one
5 thousand units or dosages; or if the violation is a
6 second or subsequent violation of this subsection, the
7 person is guilty of a class "D" felony.
8 c. All other violations of this subsection shall
9 constitute an aggravated misdemeanor.
10 12. A person who knowingly forges, counterfeits,
11 or falsely creates any label for a drug or device or
12 who falsely represents any factual matter contained on
13 any label of a drug or device is guilty of a class "C"
14 felony.
15 13. A person who knowingly possesses, purchases,
16 or brings into the state a counterfeit, misbranded, or
17 adulterated drug or device is guilty of the following:
18 a. If the quantity of a counterfeit, misbranded,
19 or adulterated drug or device being possessed,
20 purchased, or brought into the state exceeds one
21 hundred units or dosages; or if the violation is a
22 second or subsequent violation of this subsection, the
23 person is guilty of a class "D" felony.
24 b. All other violations of this subsection shall
25 constitute an aggravated misdemeanor.
26 14. This section does not prevent a licensed
27 practitioner of medicine, dentistry, podiatry,
28 nursing, veterinary medicine, optometry, or pharmacy
29 from acts necessary in the ethical and legal
30 performance of the practitioner's profession.
31 15. Subsections 1 and 2 shall not apply to a
32 parent or legal guardian administering, in good faith,
33 a prescription drug or device to a child of the parent
34 or a child for whom the individual is designated a
35 legal guardian.
36 Sec. ___. NEW SECTION. 155A.40 CRIMINAL HISTORY
37 RECORD CHECKS.
38 1. The board may request and obtain,
39 notwithstanding section 692.2, subsection 5, criminal
40 history data for any applicant for an initial or
41 renewal license or registration issued pursuant to
42 this chapter or chapter 147, any applicant for
43 reinstatement of a license or registration issued
44 pursuant to this chapter or chapter 147, or any
45 licensee or registrant who is being monitored as a
46 result of a board order or agreement resolving an
47 administrative disciplinary action, for the purpose of
48 evaluating the applicant's, licensee's, or
49 registrant's eligibility for licensure, registration,
50 or suitability for continued practice of the

1 profession. Criminal history data may be requested
2 for all owners, managers, and principal employees of a
3 pharmacy or drug wholesaler licensed pursuant to this
4 chapter. The board shall adopt rules pursuant to
5 chapter 17A to implement this section. The board
6 shall inform the applicant, licensee, or registrant of
7 the criminal history requirement and obtain a signed
8 waiver from the applicant, licensee, or registrant
9 prior to submitting a criminal history data request.
10 2. A request for criminal history data shall be
11 submitted to the department of public safety, division
12 of criminal investigation and bureau of
13 identification, pursuant to section 692.2, subsection
14 1. The board may also require such applicants,
15 licensees, and registrants to provide a full set of
16 fingerprints, in a form and manner prescribed by the
17 board. Such fingerprints may be submitted to the
18 federal bureau of investigation through the state
19 criminal history repository for a national criminal
20 history check. The board may authorize alternate
21 methods or sources for obtaining criminal history
22 record information. The board may, in addition to any
23 other fees, charge and collect such amounts as may be
24 incurred by the board, the department of public
25 safety, or the federal bureau of investigation in
26 obtaining criminal history information. Amounts
27 collected shall be considered repayment receipts as
28 defined in section 8.2.
29 3. Criminal history information relating to an
30 applicant, licensee, or registrant obtained by the
31 board pursuant to this section is confidential. The
32 board may, however, use such information in a license
33 or registration denial proceeding. In a disciplinary
34 proceeding, such information shall constitute
35 investigative information under section 272C.6,
36 subsection 4, and may be used only for purposes
37 consistent with that section.
38 4. This section shall not apply to a manufacturer
39 of a prescription drug or device that has been
40 delivered into commerce pursuant to an application
41 approved by the federal food and drug administration.
42 Sec. ___. NEW SECTION. 155A.41 CONTINUOUS
43 QUALITY IMPROVEMENT PROGRAM.
44 1. Each licensed pharmacy shall implement or
45 participate in a continuous quality improvement
46 program to review pharmacy procedures in order to
47 identify methods for addressing pharmacy medication
48 errors and for improving patient use of medications
49 and patient care services. Under the program, each
50 pharmacy shall assess its practices and identify areas

1 for quality improvement.
2 2. The board shall adopt rules for the
3 administration of a continuous quality improvement
4 program. The rules shall address all of the
5 following:
6 a. Program requirements and procedures.
7 b. Program record and reporting requirements.
8 c. Any other provisions necessary for the
9 administration of a program."
10 45. Title page, line 1, by inserting after the
11 word "Act" the following: "relating to state and
12 local finances by providing for tax exemptions,
13 credits, tax credit transfers, and other tax-related
14 matters and by".
15 46. Title page, line 2, by inserting after the
16 word "matters" the following: "and penalties"
17 47. Title page, line 2, by inserting after the
18 word "fees," the following: "providing for the
19 generation and purchase of and tax credits for
20 renewable energy,".
21 48. By renumbering, relettering, or redesignating
22 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

**H-1703** FILED MAY 19, 2005

1 Amend the Senate amendment, H-1703, to House File
2 882, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 9, by inserting after line 17 the
5 following:
6 "___. Page 18, by inserting after line 11 the
7 following:
8 "Sec. ___. Section 99F.4A, subsection 8,
9 unnumbered paragraph 1, Code 2005, is amended to read
10 as follows:
11 The commission shall, upon the immediate payment of
12 the applicable table games license fee and submission
13 to the commission by June 1, ~~2005~~ 2006, of an
14 application by a licensee of a pari-mutuel dog or
15 horse racetrack licensed to conduct gambling games at
16 a pari-mutuel racetrack enclosure, issue a license to
17 the licensee to conduct table games of chance,
18 including video machines that simulate table games of
19 chance, at the pari-mutuel racetrack enclosure subject
20 to the requirements of this subsection. However, a
21 table games license may only be issued to a licensee
22 required to pay a table games license fee of three
23 million dollars under this subsection if the licensee,
24 and all other licensees of an excursion gambling boat
25 in that county, file an agreement with the commission
26 authorizing the granting of a table games license
27 under this subsection and permitting all licensees of
28 an excursion gambling boat to operate a moored barge
29 as of a specific date. The licensee shall be granted
30 a table games license by the commission without
31 conducting a separate referendum authorizing table
32 games upon payment of the applicable license fee to
33 the commission which table games license fee may be
34 offset by the licensee against taxes imposed on the
35 licensee by section 99F.11, to the extent of twenty
36 percent of the table games license fee paid pursuant
37 to this subsection for each of five consecutive fiscal
38 years beginning with the fiscal year beginning July 1,
39 2008. Fees paid pursuant to this subsection are not
40 refundable to the licensee. A licensee shall not be
41 required to pay a fee to renew a table games license
42 issued pursuant to this subsection. Moneys collected
43 by the commission from a table games license fee paid
44 under this subsection shall be deposited in the
45 rebuild Iowa infrastructure fund created in section
46 8.57.""
47 2. Page 15, by inserting after line 18 the
48 following:
49 "___. Page 24, by inserting after line 17 the
50 following:

1 "Sec. ___. EFFECTIVE DATE. The section of this
2 division of this Act amending section 99F.4A,
3 subsection 8, being deemed of immediate importance,
4 takes effect upon enactment.""
5 3. By renumbering as necessary.

**By** JOCHUM of Dubuque

**H-1708** FILED MAY 20, 2005
LOST

## HOUSE FILE 882

**H-1709**

1 Amend the Senate amendment, H-1703, to House File
2 882, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 9, line 27, by inserting after the word
5 "county" the following: "or the state".
6 2. Page 15, by inserting after line 18, the
7 following:
8 "___. Page 24, by inserting after line 17, the
9 following:
10 "Sec. ___. EFFECTIVE DATE. The section of this
11 division of this Act amending section 331.439 takes
12 effect July 1, 2006.""

**By** MILLER of Webster
GASKILL of Wapello
MERTZ of Kossuth

**H-1709** FILED MAY 20, 2005
WITHDRAWN

1 Amend the Senate amendment, H-1703, to House File
2 882, as amended, passed, and reprinted by the House,
3 as follows:
4 1. By striking page 1, line 3, through page 49,
5 line 22, and inserting the following:
6 "___. Page 2, by inserting after line 5 the
7 following:
8 "Sec. ___. BUDGET PROCESS FOR FISCAL YEAR 2006-
9 2007.
10 1. For the budget process applicable to the fiscal
11 year beginning July 1, 2006, on or before October 1,
12 2005, in lieu of the information specified in section
13 8.23, subsection 1, unnumbered paragraph 1, and
14 paragraph "a", all departments and establishments of
15 the government shall transmit to the director of the
16 department of management, on blanks to be furnished by
17 the director, estimates of their expenditure
18 requirements, including every proposed expenditure,
19 for the ensuing fiscal year, together with supporting
20 data and explanations as called for by the director of
21 the department of management.
22 2. The estimates of expenditure requirements shall
23 be in a form specified by the director of the
24 department of management, and the expenditure
25 requirements shall include all proposed expenditures
26 and shall be prioritized by results to be achieved by
27 expenditures. The estimates shall be accompanied by
28 performance measures for evaluating the effectiveness
29 of the programs connected to the expenditures."
30 ___. Page 4, by inserting after line 22, the
31 following:
32 "Sec. ___. Section 8.8, Code 2005, is amended to
33 read as follows:
34 8.8 SPECIAL OLYMPICS FUND -- APPROPRIATION.
35 A special olympics fund is created in the office of
36 the treasurer of state under the control of the
37 department of management. There is appropriated
38 annually from the general fund of the state to the
39 special olympics fund ~~thirty~~ fifty thousand dollars
40 for distribution to one or more organizations which
41 administer special olympics programs benefiting the
42 citizens of Iowa with disabilities."
43 ___. Page 5, by inserting after line 11 the
44 following:
45 "Sec. ___. DEPARTMENT OF CULTURAL AFFAIRS --
46 NONPROFIT MUSIC ENTITIES. There is appropriated from
47 the general fund of the state to the department of
48 cultural affairs for the fiscal year beginning July 1,
49 2005, and ending June 30, 2006, twenty-five thousand
50 dollars for purposes of providing two twelve thousand

1 five hundred dollar grants to nonprofit music
2 entities. A recipient of a grant shall be a nonprofit
3 entity that is formed with members including local
4 musicians, music promoters, representatives of music
5 venues and businesses, community leaders, and live
6 music enthusiasts who discuss, assess, and expedite
7 the implementation of a unified music agenda for a
8 local community and aggressively advocates, sponsors,
9 and develops an independent, progressive live music
10 economy in a local community."
11 ___. Page 5, line 13, by inserting before the
12 word "department" the following: "Iowa".
13 ___. Page 5, by inserting before line 21, the
14 following:
15 "Sec. ___. HEALTHY IOWANS TOBACCO TRUST -- PKU
16 ASSISTANCE. There is appropriated from the healthy
17 Iowans tobacco trust created in section 12.65 to the
18 Iowa department of public health for the fiscal year
19 beginning July 1, 2005, and ending June 30, 2006, the
20 following amount, or so much thereof as is necessary,
21 to be used for the purpose designated:
22 For providing grants to individual patients who
23 have phenylketonuria (PKU) to assist with the costs of
24 special food needed:
25 ..... $ 60,000
26 Sec. ___. ENRICH IOWA LIBRARIES PROGRAM. There is
27 appropriated from the rebuild Iowa infrastructure fund
28 to the department of education for the fiscal year
29 beginning July 1, 2005, and ending June 30, 2006, the
30 following amount, or so much thereof as is necessary:
31 To provide resources for structural and
32 technological improvements to local libraries and for
33 the enrich Iowa program, notwithstanding section 8.57,
34 subsection 6, paragraph "c":
35 ..... $ 200,000
36 Sec. ___. DEPARTMENT OF EDUCATION -- COMMUNITY
37 COLLEGES. There is appropriated from the rebuild Iowa
38 infrastructure fund to the department of education for
39 the designated fiscal years, the following amounts, or
40 so much thereof as is necessary, to be used for the
41 purposes designated:
42 For major renovation and major repair needs,
43 including health, life, and fire safety needs, and for
44 compliance with the federal Americans With
45 Disabilities Act, for state buildings and facilities
46 under the purview of the community colleges:
47 FY 2006-2007..... $ 2,000,000
48 FY 2007-2008..... $ 2,000,000
49 FY 2008-2009..... $ 2,000,000
50 The moneys appropriated in this section shall be

allocated to the community colleges based upon the distribution formula established in section 260C.18C, if enacted by 2005 Iowa Acts, House File 816.

Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2010, or until the project for which the appropriation was made is completed, whichever is earlier."

___. Page 5, by striking lines 21 through 29.

___. Page 5, lines 31 and 32, by striking the words "state department of transportation" and inserting the following: "homeland security and emergency management division of the department of public safety".

___. Page 6, line 1, by striking the figure "125,000" and inserting the following: "100,000".

___. Page 6, by striking lines 2 through 19.

___. Page 6, by inserting before line 20, the following:

"Sec. ___. HEALTHY IOWANS TOBACCO TRUST -- AIDS DRUG ASSISTANCE PROGRAM. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For additional funding to leverage federal funding through the federal Ryan White Care Act, Title II, AIDS drug assistance program supplemental drug treatment grants:

..... $ 275,000

Sec. ___. GREAT PLACES. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 100,000

Notwithstanding section 8.33, any moneys appropriated in this section 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.

Sec. ___. UNDERGROUND STORAGE TANK FUND -- WATERSHED IMPROVEMENT FUND -- FY 2005-2006.

1 Notwithstanding section 455G.3, subsection 1, there is
2 appropriated from the Iowa comprehensive petroleum
3 underground storage tank fund created in section
4 455G.3, subsection 1, to the office of the treasurer
5 of state during the fiscal year beginning July 1,
6 2005, and ending June 30, 2006, the following amount,
7 or so much thereof as is necessary, to be used for the
8 purpose designated:
9 For deposit in the watershed improvement fund
10 created in 2005 Iowa Acts, Senate File 200, if
11 enacted:
12 ..... $ 5,000,000
13 Moneys in the watershed improvement fund are
14 appropriated for the fiscal year beginning July 1,
15 2005, and ending June 30, 2006, to fulfill the duties
16 of the watershed improvement review board, if enacted
17 by 2005 Iowa Acts, Senate File 200."
18 ___. Page 6, by striking lines 31 through 35.
19 ___. By striking page 7, line 1, through page 11,
20 line 16.
21 ___. Page 11, by inserting before line 17, the
22 following:
23 "Sec. ___. 2005 Iowa Acts, House File 862, section
24 1, subsection 2, paragraph h, unnumbered paragraph 1,
25 and paragraph i, unnumbered paragraph 1, if enacted,
26 are amended to read as follows:
27 For a grant program to provide substance abuse
28 prevention programming for children:
29 ..... $ ~~400,000~~
30 200,000
31 For a grant to a program that utilizes high school
32 mentors to teach life skills, violence prevention, and
33 character education in an effort to reduce the illegal
34 use of alcohol, tobacco, and other substances:
35 ..... $ ~~400,000~~
36 200,000
37 Sec. ___. 2005 Iowa Acts, House File 862, section
38 1, subsection 2, paragraph j, if enacted, is amended
39 to read as follows:
40 j. For a grant program to provide substance abuse
41 prevention programming, including tobacco use
42 prevention programming, for children:
43 ..... $ ~~800,000~~
44 400,000
45 The Iowa department of public health shall utilize
46 a request for proposals process to implement this
47 paragraph "j". A program approved for a grant under
48 paragraph "h" or paragraph "i" shall not be eligible
49 for a grant under this paragraph "j".
50 Eligible grant applicants shall include, but shall

not be limited to, mentoring organizations and organizations that practice and implement nationally accepted standards for mentoring programs.

All grant recipients shall participate in a program evaluation as a requirement for receiving grant funds.

Sec. ___. NATIONAL GOVERNORS ASSOCIATION MEETING. 2004 Iowa Acts, chapter 1175, section 12, subsection 4, as amended by 2005 Iowa Acts, House File 810, if enacted, is amended to read as follows:

4. NATIONAL GOVERNORS ASSOCIATION

For payment of Iowa's membership in the national governors association:

..... $ ~~364,393~~ 164,393

Of the funds appropriated in this subsection, ~~$300,000~~ $100,000 is allocated for security-related costs and other expenses associated with the national governors association national meeting. Notwithstanding section 8.33, the moneys allocated for the meeting 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.

Sec. ___. 2005 Iowa Acts, House File 881, section 5, unnumbered paragraph 1, if enacted, is amended to read as follows:

There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies, excluding the state board of regents, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount of $~~38,500,000~~ 40,900,000, or so much thereof as may be necessary, to fully fund annual pay adjustments, expense reimbursements, and related benefits implemented pursuant to the following:"

___. By striking page 12, line 18, through page 13, line 4.

___. Page 13, by striking lines 27 through 33.

___. Page 13, by inserting before line 34, the following:

"___. The sections of this division of this Act appropriating moneys to the department of cultural affairs for great places and amending 2004 Iowa Acts, chapter 1175, section 12, subsection 4, being deemed of immediate importance, take effect upon enactment."

___. Page 13, by inserting before line 34 the following:

1 "DIVISION
2 APPROPRIATION REVISIONS
3 Sec. ___. JOBS FOR AMERICA'S GRADUATES. There is
4 appropriated from the general fund of the state to the
5 department of education for the fiscal year beginning
6 July 1, 2005, and ending June 30, 2006, the following
7 amount, or so much thereof as is necessary, to be used
8 for the purpose designated:
9 For school districts to provide direct services to
10 the most at-risk senior high school students enrolled
11 in school districts through direct intervention by a
12 jobs for America's graduates specialist:
13 ..... $ 400,000
14 Sec. ___. DEPARTMENT OF ADMINISTRATIVE SERVICES --
15 FINANCIAL ADMINISTRATION. There is appropriated from
16 the general fund of the state to the department of
17 administrative services for the fiscal year beginning
18 July 1, 2005, and ending June 30, 2006, the following
19 amount, or so much thereof as is necessary, to be used
20 for the purpose designated:
21 For financial administration duties:
22 ..... $ 200,000
23 Sec. ___. DEPARTMENT OF MANAGEMENT -- PERFORMANCE
24 AUDITS. There is appropriated from the general fund
25 of the state to the department of management for the
26 fiscal year beginning July 1, 2005, and ending June
27 30, 2006, the following amount, or so much thereof as
28 is necessary, to be used for the purposes designated:
29 For conducting performance audits and developing
30 performance measures, including salaries, support,
31 maintenance, miscellaneous purposes, and for not more
32 than the following full-time equivalent positions:
33 ..... $ 216,000
34 ..... FTEs 2.50
35 Sec. ___. GOVERNOR'S OFFICE OF DRUG CONTROL
36 POLICY. If 2005 Iowa Acts, House File 810, is enacted
37 and provides for an appropriation from the general
38 fund of the state to the governor's office of drug
39 control policy for the fiscal year beginning July 1,
40 2005, and ending June 30, 2006, that appropriation is
41 reduced by the following amount:
42 ..... $ 13,195
43 Sec. ___. DEPARTMENT OF INSPECTIONS AND APPEALS --
44 ADMINISTRATION DIVISION. If 2005 Iowa Acts, House
45 File 810, is enacted and provides for an appropriation
46 from the general fund of the state to the department
47 of inspections and appeals, administration division,
48 for the fiscal year beginning July 1, 2005, and ending
49 June 30, 2006, that appropriation is reduced by the
50 following amount:

1 ..... $ 49,000
2 Sec. ___. DEPARTMENT OF REVENUE -- OPERATIONS. If
3 2005 Iowa Acts, House File 810, is enacted and
4 provides for an appropriation from the general fund of
5 the state to the department of revenue for operations
6 for the fiscal year beginning July 1, 2005, and ending
7 June 30, 2006, that appropriation is reduced by the
8 following amount:
9 ..... $ 25,882
10 Sec. ___. DEPARTMENT OF AGRICULTURE AND LAND
11 STEWARDSHIP -- SOIL AND WATER CONSERVATION DISTRICTS.
12 If 2005 Iowa Acts, House File 808, is enacted and
13 provides for an appropriation from the general fund of
14 the state to the department of agriculture and land
15 stewardship for purposes of reimbursing commissioners
16 of soil and water conservation districts for expenses,
17 for the fiscal year beginning July 1, 2005, and ending
18 June 30, 2006, that appropriation is reduced by the
19 following amount:
20 ..... $ 50,000
21 Sec. ___. COLLEGE STUDENT AID COMMISSION. If 2005
22 Iowa Acts, House File 816, is enacted and provides for
23 an appropriation from the general fund of the state to
24 the college student aid commission for the national
25 guard educational assistance program for the fiscal
26 year beginning July 1, 2005, and ending June 30, 2006,
27 that appropriation is reduced by the following amount:
28 ..... $ 75,000
29 Sec. ___. DEPARTMENT OF MANAGEMENT. If 2005 Iowa
30 Acts, House File 816 is enacted and provides for an
31 appropriation from the general fund of the state to
32 the department of management for allocation to the
33 institute for tomorrow's workforce created under
34 chapter 7K, if enacted by 2005 Iowa Acts, House File
35 816, for the fiscal year beginning July 1, 2005, and
36 ending June 30, 2006, that appropriation is reduced by
37 the following amount:
38 ..... $ 100,000
39 Sec. ___. IOWA DEPARTMENT OF PUBLIC HEALTH. If
40 2005 Iowa Acts, House File 825, is enacted and
41 provides for appropriations from the general fund of
42 the state to the Iowa department of public health for
43 the fiscal year beginning July 1, 2005, and ending
44 June 30, 2006, for the following indicated purposes in
45 2005 Iowa Acts, House File 825, those appropriations
46 are reduced by the following amounts:
47 1. For environmental hazards:
48 ..... $ 50,000
49 2. For injuries:
50 ..... $ 50,000

1 3. For public protection:
2 ..... $ 40,000
3 Sec. ___. MEDICAL ASSISTANCE APPROPRIATION. If
4 2005 Iowa Acts, House File 825, is enacted and
5 provides for an appropriation from the general fund of
6 the state to the department of human services for the
7 fiscal year beginning July 1, 2005, and ending June
8 30, 2006, for the medical assistance program, that
9 appropriation is reduced by the following amount:
10 ..... $ 11,353,381
11 Sec. ___. SENIOR LIVING TRUST FUND APPROPRIATION.
12 If 2005 Iowa Acts, House File 825, is enacted and
13 provides for an appropriation from the senior living
14 trust fund to the department of human services for the
15 fiscal year beginning July 1, 2005, and ending June
16 30, 2006, to supplement the medical assistance
17 appropriation, that appropriation is increased by the
18 following amount:
19 ..... $ 9,353,381
20 Sec. ___. DEPARTMENT OF HUMAN SERVICES. If 2005
21 Iowa Acts, House File 825, is enacted and provides for
22 appropriations from the general fund of the state to
23 the department of human services for the fiscal year
24 beginning July 1, 2005, and ending June 30, 2006, for
25 the following indicated purposes, those appropriations
26 are reduced by the following amounts:
27 1. For the children's health insurance program:
28 ..... $ 50,000
29 2. For MI/MR/DD state cases:
30 ..... $ 50,000
31 Sec. ___. DEPARTMENT OF JUSTICE -- GENERAL OFFICE.
32 If 2005 Iowa Acts, House File 811, is enacted and
33 provides for an appropriation from the general fund of
34 the state to the department of justice for the
35 department's general office, that appropriation is
36 reduced by the following amount:
37 ..... $ 25,000
38 Sec. ___. DEPARTMENT OF CORRECTIONS. If 2005 Iowa
39 Acts, House File 811, is enacted and provides for an
40 appropriation from the general fund of the state to
41 the department of corrections for offender substance
42 abuse and mental health treatment for the fiscal year
43 beginning July 1, 2005, and ending June 30, 2006, that
44 appropriation is reduced by the following amount:
45 ..... $ 100,000
46 Sec. ___. DEPARTMENT OF PUBLIC SAFETY -- BUILDING
47 SECURITY. If 2005 Iowa Acts, House File 875, is
48 enacted and provides for an appropriation from the
49 general fund of the state to the department of public
50 safety for capitol building and judicial building

1 security for the fiscal year beginning July 1, 2005,
2 and ending June 30, 2006, that appropriation is
3 reduced by the following amount:
4 ..... $ 25,000
5 Sec. ___. JUDICIAL BRANCH. If 2005 Iowa Acts,
6 House File 807, is enacted and provides for an
7 appropriation from the general fund of the state to
8 the judicial branch for the fiscal year beginning July
9 1, 2005, and ending June 30, 2006, that appropriation
10 is reduced by the following amount:
11 ..... $ 50,000
12 Sec. ___. REGISTERED NURSE RECRUITMENT PROGRAM
13 FUNDS. From the funds appropriated for tuition grants
14 pursuant to section 261.25, subsection 1, for the
15 fiscal year beginning July 1, 2005, up to fifty
16 thousand dollars shall be used to provide forgivable
17 loans as provided in section 261.23 to residents of
18 Iowa who are registered nurses and who are seeking to
19 become qualified as nursing faculty in Iowa and to
20 teach in Iowa schools. To qualify for a forgivable
21 loan pursuant to this section, in addition to the
22 requirements of section 261.23, a person shall be
23 enrolled at a not-for-profit accredited school of
24 nursing that is located in this state.
25 Sec. ___. HEALTH FACILITIES COUNCIL. If 2005 Iowa
26 Acts, House File 810, is enacted and includes an
27 appropriation from the general fund of the state to
28 the department of inspections and appeals for the
29 health facilities council for the fiscal year
30 beginning July 1, 2005, and ending June 30, 2006, any
31 provision of that appropriation designating the use of
32 $80,000 and a full-time equivalent position for a
33 particular purpose shall not be applied.
34 Sec. ___. YOUTH ENRICHMENT PILOT PROJECT -- YOUTH
35 LEADERSHIP PROGRAM.
36 1. Of the funds appropriated in 2005 Iowa Acts,
37 House File 807, if enacted, from the general fund of
38 the state to the judicial branch for purposes of a
39 youth enrichment pilot project, for the fiscal year
40 beginning July 1, 2005, and ending June 30, 2006,
41 $50,000 is transferred to the department of
42 corrections to be used for a youth leadership program
43 in the sixth judicial district department of
44 correctional services in accordance with subsection 2.
45 2. The moneys transferred pursuant to subsection 1
46 shall be used by the judicial district department of
47 correctional services to establish or maintain a youth
48 leadership model program to help at-risk youth in the
49 judicial district department of correctional services.
50 As a part of the program, the judicial district

1 department of correctional services may recruit
2 college or high school students in the judicial
3 district to work with at-risk youth. The student
4 workers shall be recruited regardless of gender, be
5 recommended by their respective schools as good role
6 models, including, but not limited to, students who
7 possess capabilities in one or more of the following
8 areas of ability: intellectual capacity, athletic,
9 visual arts, or performing arts.
10 Sec. ___. CENTER FOR CONGENITAL AND INHERITED
11 DISORDERS CENTRAL REGISTRY. Notwithstanding section
12 144.13A, subsection 4, paragraph "a", for the fiscal
13 year beginning July 1, 2005, $40,000 of the fees
14 collected by the state registrar that would otherwise
15 be appropriated and used for the center for congenital
16 and inherited disorders central registry established
17 pursuant to section 136A.6 shall be credited to the
18 general fund of the state."
19 ___. Page 13, by inserting after line 35, the
20 following:
21 "Sec. ___. Section 8D.2, subsection 5, paragraph
22 b, Code 2005, is amended to read as follows:
23 b. For the purposes of this chapter, "public
24 agency" also includes any homeland security or defense
25 facility <u>or disaster response agency</u> established by
26 the administrator of the homeland security and
27 emergency management division of the department of
28 public defense or the governor or any facility
29 connected with a security or defense system <u>or</u>
30 <u>disaster response</u> as required by the administrator of
31 the homeland security and emergency management
32 division of the department of public defense or the
33 governor.
34 Sec. ___. Section 8D.9, subsection 3, Code 2005,
35 is amended to read as follows:
36 3. A facility that is considered a public agency
37 pursuant to section 8D.2, subsection 5, paragraph "b",
38 shall be authorized to access the Iowa communications
39 network strictly for homeland security communication
40 purposes <u>and disaster communication purposes</u>. Any
41 utilization of the network that is not related to
42 communications concerning homeland security <u>or a</u>
43 <u>disaster, as defined in section 29C.2,</u> is expressly
44 prohibited. <u>Access under this subsection shall be</u>
45 <u>available only if a state of disaster emergency is</u>
46 <u>proclaimed by the governor pursuant to section 29C.6</u>
47 <u>or a homeland security or disaster event occurs</u>
48 <u>requiring connection of disparate communications</u>
49 <u>systems between public agencies to provide for a</u>
50 <u>multi-agency or multi-jurisdictional response. Access</u>

1 shall continue only for the period of time the
2 homeland security or disaster event exists. For
3 purposes of this subsection, disaster communication
4 purposes includes training and exercising for a
5 disaster if public notice of the training and
6 exercising session is posted on the website of the
7 homeland security and emergency management division of
8 the department of public defense. A scheduled and
9 noticed training and exercising session shall not
10 exceed five days. Interpretation and application of
11 the provisions of this subsection shall be strictly
12 construed."
13 ___. By striking page 14, line 1, through page
14 15, line 17.
15 ___. Page 18, by inserting after line 30, the
16 following:
17 "Sec. ___. Section 331.439, Code 2005, is amended
18 by adding the following new subsection:
19 NEW SUBSECTION. 9. The county management plan
20 shall designate at least one hospital licensed under
21 chapter 135B that the county has contracted with to
22 provide services covered under the plan. If the
23 designated hospital does not have a bed available to
24 provide the services, the county is responsible for
25 the cost of covered services provided at an alternate
26 hospital licensed under chapter 135B.
27 Sec. ___. Section 364.17, subsection 3, paragraph
28 a, Code 2005, is amended to read as follows:
29 a. A schedule of civil penalties or criminal fines
30 for violations. A city may charge the owner of
31 housing a late payment fee of twenty-five dollars and
32 may add interest of up to one and one-half percent per
33 month if a penalty or fine imposed under this
34 paragraph is not paid within thirty days of the date
35 that the penalty or fine is due. The city shall send
36 a notice of the late payment fee to such owner by
37 first class mail to the owner's personal or business
38 mailing address. The late payment fee and the
39 interest shall not accrue if such owner files an
40 appeal with either the city, if the city has
41 established an appeals procedure, or the district
42 court. Any unpaid penalty, fine, fee, or interest
43 shall constitute a lien on the real property and may
44 be collected in the same manner as a property tax.
45 However, before a lien is filed, the city shall send a
46 notice of intent to file a lien to the owner of the
47 housing by first class mail to such owner's personal
48 or business mailing address.
49 Sec. ___. Section 364.17, subsection 5, Code 2005,
50 is amended to read as follows:

1 5. Cities may establish reasonable fees for
2 inspection and enforcement procedures. A city may
3 charge the owner of housing a late payment penalty of
4 twenty-five dollars and may add interest of up to one
5 and one-half percent per month if a fee imposed under
6 this subsection is not paid within thirty days of the
7 date that the fee is due. The city shall send a
8 notice of the late payment penalty to such owner by
9 first class mail to the owner's personal or business
10 mailing address. The late payment penalty and the
11 interest shall not accrue if such owner files an
12 appeal with either the city, if the city has
13 established an appeals procedure, or the district
14 court. Any unpaid fee, penalty, or interest shall
15 constitute a lien on the real property and may be
16 collected in the same manner as a property tax.
17 However, before a lien is filed, the city shall send a
18 notice of intent to file a lien to the owner of the
19 housing by first class mail to such owner's personal
20 or business mailing address.
21 Sec. ___. Section 384.16, subsection 1, unnumbered
22 paragraph 2, Code 2005, is amended to read as follows:
23 A budget must show comparisons between the
24 estimated expenditures in each program in the
25 following year ~~and the actual expenditures in each~~
26 ~~program during the two preceding years~~, the latest
27 estimated expenditures in each program in the current
28 year, and the actual expenditures in each program from
29 the annual report as provided in section 384.22, or as
30 corrected by a subsequent audit report. Wherever
31 practicable, as provided in rules of the committee, a
32 budget must show comparisons between the levels of
33 service provided by each program as estimated for the
34 following year, and actual levels of service provided
35 by each program during the two preceding years.
36 Sec. ___. Section 384.16, Code 2005, is amended by
37 adding the following new subsection:
38 NEW SUBSECTION. 7. A city that does not submit a
39 budget in compliance with this section shall have all
40 state funds withheld until a budget that is in
41 compliance with this section is filed with the county
42 auditor and subsequently received by the department of
43 management. The department of management shall send
44 notice to state agencies responsible for disbursement
45 of state funds and that notice is sufficient
46 authorization for those funds to be withheld until
47 later notice is given by the department of management
48 to release those funds."
49 ___. Page 20, by inserting after line 34, the
50 following:

1 "Sec. ___. Section 427.1, subsection 21, Code
2 2005, is amended to read as follows:
3 21. LOW-RENT HOUSING. The property owned and
4 operated or controlled by a nonprofit organization, as
5 recognized by the internal revenue service, providing
6 low-rent housing for persons who are elderly and
7 persons with physical and mental disabilities. The
8 exemption granted under the provisions of this
9 subsection shall apply only until the ~~terms~~ final
10 payment due date of the borrower's original low-rent
11 housing development mortgage or until the borrower's
12 original low-rent housing development mortgage is paid
13 in full or expires, whichever is sooner, subject to
14 the provisions of subsection 14. However, if the
15 borrower's original low-rent housing development
16 mortgage is refinanced, the exemption shall apply only
17 until the date that would have been the final payment
18 due date under the terms of the borrower's original
19 low-rent housing development mortgage or until the
20 refinanced mortgage is paid in full or expires,
21 whichever is sooner, subject to the provisions of
22 subsection 14."
23 ___. Page 21, by inserting after line 8, the
24 following:
25 "Sec. ___. Section 427.1, subsection 30, Code
26 2005, is amended to read as follows:
27 30. MANUFACTURED HOME COMMUNITY OR MOBILE HOME
28 PARK STORM SHELTER. A structure constructed as a
29 storm shelter at a manufactured home community or
30 mobile home park as defined in section 435.1. An
31 application for this exemption shall be filed with the
32 assessing authority not later than February 1 of the
33 first year for which the exemption is requested, on
34 forms provided by the department of revenue. The
35 application shall describe and locate the storm
36 shelter to be exempted. If the storm shelter
37 structure is used exclusively as a storm shelter, all
38 of the structure's assessed value shall be exempt from
39 taxation. If the storm shelter structure is not used
40 exclusively as a storm shelter, the storm shelter
41 structure shall be assessed for taxation at ~~seventy-~~
42 ~~five~~ fifty percent of its value as commercial
43 property."
44 ___. Page 23, by inserting after line 35, the
45 following:
46 "Sec. ___. Section 602.10110, Code 2005, is
47 amended to read as follows:
48 602.10110 OATH.
49 All persons on being admitted to the bar shall take
50 an oath or affirmation, as promulgated by the supreme

1 court, declaring to support the Constitutions of the
2 United States and of the state of Iowa, and to
3 faithfully discharge, according to the best of their
4 ability, the duties of an attorney ~~and counselor of~~
5 ~~this state according to the best of their ability~~.
6 Sec. ___. Section 692A.4A, if enacted by 2005 Iowa
7 Acts, House File 619, is amended to read as follows:
8 692A.4A ELECTRONIC MONITORING.
9 A person required to register under this chapter
10 who is placed on probation, parole, work release,
11 special sentence, or any other type of conditional
12 release, may be supervised by an electronic tracking
13 and monitoring system in addition to any other
14 conditions of supervision. However, if the person
15 committed a criminal offense against a minor, or an
16 aggravated offense, sexually violent offense, or other
17 relevant offense that involved a minor, the person
18 shall be supervised for a period of at least five
19 years by an electronic tracking and monitoring system
20 in addition to any other conditions of release.
21 Sec. ___. Section 692A.13A, subsection 1,
22 unnumbered paragraph 1, if enacted by 2005 Iowa Acts,
23 House File 619, is amended to read as follows:
24 The department of corrections, the department of
25 human services, and the department of public safety
26 shall, in consultation with one another, develop
27 methods and procedures for the assessment of the risk
28 to reoffend for persons newly required to register
29 under this chapter on or after the effective date of
30 this division of this Act, who have committed a
31 criminal offense against a minor, or an aggravated
32 offense, sexually violent offense, or other relevant
33 offense that involved a minor. The department of
34 corrections, in consultation with the department of
35 human services, the department of public safety, and
36 the attorney general, shall adopt rules relating to
37 assessment procedures. The assessment procedures
38 shall include procedures for the sharing of
39 information between the department of corrections,
40 department of human services, the juvenile court, and
41 the division of criminal investigation of the
42 department of public safety, as well as the
43 communication of the results of the risk assessment to
44 criminal and juvenile justice agencies. The
45 assignment of responsibility for the assessment of
46 risk shall be as follows:
47 Sec. ___. Section 602.10112, Code 2005, is
48 repealed."
49 ___. Page 24, by inserting before line 1, the
50 following:

1 "Sec. ___. VEHICLE DEALERSHIP STUDY. The
2 legislative council is requested to appoint an interim
3 study committee that will study the motor vehicle
4 licensing law as it pertains to motor vehicle
5 dealerships' moves from one facility and location to
6 another facility and location in the state. A report
7 should be provided to the general assembly by January
8 15, 2006."
9 2. Page 24, line 18, by striking the word
10 "section" and inserting the following: "sections".
11 3. Page 24, line 19, by inserting after the word
12 "Act" the following: "amending section 427.1,
13 subsection 21, and".
14 4. Page 24, line 20, by striking the words "a
15 property tax exemption" and inserting the following:
16 "property tax exemptions".
17 5. Page 24, by inserting after line 21, the
18 following:
19 "Sec. ___. RETROACTIVE APPLICABILITY DATE. The
20 section of this division of this Act amending section
21 423E.5, being deemed of immediate importance, takes
22 effect upon enactment and applies retroactively to
23 July 1, 2004.
24 Sec. ___. EFFECTIVE AND APPLICABILITY DATES. The
25 sections of this division of this Act amending section
26 427.1, subsection 21, and enacting new subsection 21A
27 to section 427.1, being deemed of immediate
28 importance, take effect upon enactment and apply
29 retroactively to January 1, 2005, for assessment years
30 beginning on or after that date.
31 Sec. ___. APPLICABILITY. Section 25B.7 does not
32 apply to the amendment to section 427.1, subsection
33 30, in this division of this Act."
34 ___. Page 24, by inserting after line 27, the
35 following:
36 "Sec. ___. EFFECTIVE DATE. The sections of this
37 division of this Act amending section 602.10110 and
38 repealing section 602.10112, being deemed of immediate
39 importance, take effect upon enactment."
40 ___. By striking page 24, line 28, through page
41 28, line 30.
42 ___. By striking page 35, line 25, through page
43 36, line 25 and inserting the following:
44 "Sec. ___. COUNTY REAL ESTATE ELECTRONIC
45 GOVERNMENT ADVISORY COMMITTEE.
46 1. A county real estate electronic government
47 advisory committee is created. Staffing services for
48 the advisory committee shall be provided by the
49 auditor of state. The advisory committee membership
50 shall consist of the following:

1 a. Two members selected by the Iowa state
2 association of county auditors.
3 b. Two members selected by the Iowa state county
4 treasurers association.
5 c. Two members selected by the Iowa county
6 recorders association.
7 d. Two members selected by the Iowa state
8 association of assessors.
9 e. One member selected by each of the following
10 organizations:
11 (1) Iowa state association of counties.
12 (2) Iowa land title association.
13 (3) Iowa bankers association.
14 (4) Iowa credit union league.
15 (5) Iowa state bar association.
16 (6) Iowa association of realtors.
17 2. The county real estate electronic government
18 advisory committee shall facilitate discussion to
19 integrate the county land record information system
20 created pursuant to section 331.605C with the
21 electronic government internet applications of county
22 treasurers, county recorders, county auditors, and
23 county assessors. The advisory committee shall file
24 an integration plan with the governor and the general
25 assembly on or before November 1, 2005."
26 6. By striking page 36, line 34, through page 37,
27 line 2, and inserting the following: "of the county
28 land record information system. The Iowa county
29 recorders".
30 7. Page 37, by striking line 21, and inserting
31 the following: "documents in the county land record
32 information system until authorized by the".
33 8. Page 37, line 22, by inserting after the word
34 "assembly." the following: "However, county recorders
35 may collect actual third-party fees associated with
36 accepting and processing statutorily authorized fees
37 including credit card fees, treasury management fees,
38 and other transaction fees required to enable
39 electronic payment. For the purposes of this
40 subsection, the term "third-party" does not include
41 the county land record information system, the Iowa
42 state association of counties, or any of the
43 association's affiliates."
44 9. Page 37, lines 24 and 25, by striking the
45 words "and the department of administrative services".
46 10. Page 37, by inserting after line 33, the
47 following:
48 "Sec. ___. DATA SECURITY AUDIT.
49 1. The Iowa county recorders association shall
50 select a vendor to conduct a data security audit of

1 the county land record information system created
2 pursuant to section 331.605C. The review and
3 assessment utilized in the audit shall include, but
4 are not limited to, a review of the functional and
5 system requirements, design documentation, software
6 code developed to support the business requirements,
7 operational procedures, financial flows including a
8 financial forecast, requests for proposals, and all
9 contracts.
10 2. The costs of the data security audit conducted
11 pursuant to subsection 1 shall be paid from moneys
12 appropriated to the treasurer of state pursuant to
13 section 331.605C.
14 3. The Iowa county recorders association shall
15 forward the complete results of the data security
16 audit to the government oversight committees of the
17 senate and the house of representatives and the
18 general assembly on or before December 1, 2005, and
19 the government oversight committees may request
20 additional updates."
21 ___. Page 39, by striking lines 26 through 33.
22 ___. Page 39, by inserting before line 34 the
23 following:
24 "Sec. ___. Section 28.3, subsection 6, paragraph
25 b, Code 2005, as amended by 2005 Iowa Acts, House File
26 761, section 5, if enacted, is amended to read as
27 follows:
28 b. In addition, a community empowerment office is
29 established as a division of the department of
30 management to provide a center for facilitation,
31 communication, and coordination for community
32 empowerment activities and funding and for improvement
33 of the early care, education, health, and human
34 services systems. Staffing for the community
35 empowerment office shall be provided by a facilitator
36 or coordinator appointed by the governor, subject to
37 confirmation by the senate, and who serves at the
38 pleasure of the governor. A deputy and support staff
39 may be designated, subject to appropriation made for
40 this purpose. The facilitator or coordinator shall
41 submit reports to the governor, the Iowa board, and
42 the general assembly. The facilitator <u>or coordinator</u>
43 shall provide primary staffing to the board,
44 coordinate state technical assistance activities and
45 implementation of the technical assistance system, and
46 other communication and coordination functions to move
47 authority and decision-making responsibility from the
48 state to communities and individuals.
49 Sec. ___. Section 28.4, subsection 14, if enacted
50 by 2005 Iowa Acts, House File 761, section 9, is

1 amended to read as follows:
2 14. With the assistance of the state departments
3 represented on the Iowa empowerment board and the
4 community empowerment office, develop and implement
5 requirements for community empowerment areas and the
6 state administrators of programs providing early care
7 or early care services to annually report to the
8 public and the early care ~~coordinator~~ staff designated
9 pursuant to section 28.3 regarding the results
10 produced by the community empowerment initiative and
11 by the programs. Source data shall also be made
12 available to the early care ~~coordinator~~."
13 ___. Page 43, by inserting after line 17, the
14 following:
15 "___. Section 135M.6, as enacted by 2005 Iowa
16 Acts, House File 724, section 6, is amended to read as
17 follows:
18 135M.6 SAMPLE PRESCRIPTION DRUGS.
19 This chapter shall not be construed to restrict the
20 use of samples by a physician or other person legally
21 authorized to prescribe drugs ~~pursuant to section~~
22 ~~147.107~~ under state and federal law during the course
23 of the physician's or other person's duties at a
24 medical facility or pharmacy."
25 ___. Page 46, by inserting after line 18, the
26 following:
27 "Sec. ___. Section 453A.47A, subsection 4, and
28 subsection 9, unnumbered paragraph 1, as enacted by
29 2005 Iowa Acts, House File 339, section 4, are amended
30 to read as follows:
31 4. RETAILER -- CIGARETTES AND TOBACCO PRODUCTS. A
32 retailer, as defined in section 453A.1, who holds a
33 permit under division I of this chapter is not
34 required to also obtain a ~~retailer~~ retail permit under
35 this division. However, if a retailer, as defined in
36 section 453A.1, only holds a permit under division I
37 of this chapter and that permit is suspended, revoked,
38 or expired, the retailer shall not sell any cigarettes
39 or tobacco products during the time which the permit
40 is suspended, revoked, or expired.
41 ~~Retailer~~ Retail permits shall be issued only upon
42 applications, accompanied by the fee indicated above,
43 made upon forms furnished by the department upon
44 written request. The failure to furnish such forms
45 shall be no excuse for the failure to file the form
46 unless absolute refusal is shown. The forms shall
47 specify:
48 Sec. ___. Section 483A.8, subsection 5, Code 2005,
49 is amended to read as follows:
50 5. A nonresident owning land in this state may

1 apply for ~~one of the first six thousand~~ a nonresident
2 antlered or any sex deer ~~licenses not limited to~~
3 ~~antlerless deer~~ hunting license, and the provisions of
4 subsection 3 shall apply. However, if a nonresident
5 owning land in this state is unsuccessful in obtaining
6 one of the ~~first six thousand~~ nonresident antlered or
7 any sex deer hunting licenses, the landowner shall be
8 given preference for one of the ~~two thousand five~~
9 ~~hundred~~ antlerless deer only nonresident deer hunting
10 licenses available pursuant to subsection 3. A
11 nonresident owning land in this state shall pay the
12 fee for a nonresident antlerless only deer license and
13 the license shall be valid to hunt on the
14 nonresident's land only. ~~A nonresident owning land in~~
15 ~~this state is eligible for only one nonresident deer~~
16 ~~license annually.~~ If one or more parcels of land have
17 multiple nonresident owners, only one of the
18 nonresident owners is eligible for a nonresident
19 antlerless only deer license. If a nonresident
20 jointly owns land in this state with a resident, the
21 nonresident shall not be given preference for a
22 nonresident antlerless only deer license. The
23 department may require proof of land ownership from a
24 nonresident landowner applying for a nonresident
25 antlerless only deer license.
26 Sec. ___. Section 501A.231, subsection 5, if
27 enacted by 2005 Iowa Acts, House File 859, section 17,
28 is amended to read as follows:
29 5. The secretary of state may provide for the
30 change of registered office or registered agent on the
31 form prescribed by the secretary of state for the
32 biennial report, provided that the form contains the
33 information required by section 501A.402. If the
34 secretary of state determines that a biennial report
35 does not contain the information required by this
36 section but otherwise meets the requirements of
37 section ~~501.402~~ 501A.402 for the purpose of changing
38 the registered office or registered agent, the
39 secretary of state shall file the statement of change
40 of registered office or registered agent, effective as
41 provided in section 501A.203, before returning the
42 biennial report to the cooperative as provided in this
43 section. A statement of change of registered office
44 or agent pursuant to this subsection shall be executed
45 by a person authorized to execute the biennial report.
46 Sec. ___. Section 501A.1001, subsection 4, if
47 enacted by 2005 Iowa Acts, House File 859, section 73,
48 is amended to read as follows:
49 4. The determinations of the board as to the
50 amount or fair value or the fairness to the

1 cooperative of the contribution accepted or to be
2 accepted by the cooperative or the terms of payment or
3 performance, including under a contribution ~~rights~~
4 agreement in section 501A.1003, and a contribution
5 rights agreement in section 501A.1004, are presumed to
6 be proper if they are made in good faith and on the
7 basis of accounting methods, or a fair valuation or
8 other method, reasonable in the circumstances.
9 Directors who are present and entitled to vote, and
10 who, intentionally or without reasonable
11 investigation, fail to vote against approving a
12 consideration that is unfair to the cooperative, or
13 overvalue property or services received or to be
14 received by the cooperative as a contribution, are
15 jointly and severally liable to the cooperative for
16 the benefit of the then members who did not consent to
17 and are damaged by the action to the extent of the
18 damages of those members. A director against whom a
19 claim is asserted under this subsection, except in
20 case of knowing participation in a deliberate fraud,
21 is entitled to contribution on an equitable basis from
22 other directors who are liable under this subsection.
23 Sec. ___. Section 10B.4, subsection 1, Code 2005,
24 as amended by 2005 Iowa Acts, House File 859, section
25 102, if enacted, is amended to read as follows:
26 1. A biennial report shall be filed by a reporting
27 entity with the secretary of state on or before March
28 31 of each odd-numbered year as required by rules
29 adopted by the secretary of state pursuant to chapter
30 17A. However, a reporting entity required to file a
31 biennial report pursuant to chapter 490, 490A, 496C,
32 497, 498, ~~490A,~~ 499, 501, 501A, or 504A shall file the
33 report required by this section in the same year as
34 required by that chapter. The reporting entity may
35 file the report required by this section together with
36 the biennial report required to be filed by one of the
37 other chapters referred to in this subsection. The
38 reports shall be filed on forms prepared and supplied
39 by the secretary of state. The secretary of state may
40 provide for combining its reporting forms with other
41 biennial reporting forms required to be used by the
42 reporting entities.
43 Sec. ___. 2005 Iowa Acts, House File 859, section
44 104, if enacted, is amended by striking the section
45 and inserting in lieu thereof the following:
46 SEC. 104. Section 15.385, subsection 4, paragraph
47 a, Code 2005, is amended to read as follows:
48 a. An eligible business may claim a tax credit
49 equal to a percentage of the new investment directly
50 related to new jobs created by the location or

1 expansion of an eligible business under the program.
2 The tax credit shall be allowed against taxes imposed
3 under chapter 422, division II, III, or V. If the
4 business is a partnership, S corporation, limited
5 liability company, cooperative organized under chapter
6 501 or 501A and filing as a partnership for federal
7 tax purposes, or estate or trust electing to have the
8 income taxed directly to the individual, an individual
9 may claim the tax credit allowed. The amount claimed
10 by the individual shall be based upon the pro rata
11 share of the individual's earnings of the partnership,
12 S corporation, limited liability company, cooperative
13 organized under chapter 501 or 501A and filing as a
14 partnership for federal tax purposes, or estate or
15 trust. The percentage shall be equal to the amount
16 provided in paragraph "d". Any tax credit in excess
17 of the tax liability for the tax year may be credited
18 to the tax liability for the following seven years or
19 until depleted, whichever occurs first.
20 Subject to prior approval by the department of
21 economic development, in consultation with the
22 department of revenue, an eligible business whose
23 project primarily involves the production of value-
24 added agricultural products or uses
25 biotechnology-related processes may elect to receive a
26 refund of all or a portion of an unused tax credit.
27 For purposes of this subsection, such an eligible
28 business includes a cooperative described in section
29 521 of the Internal Revenue Code which is not required
30 to file an Iowa corporate income tax return, and whose
31 project primarily involves the production of ethanol.
32 The refund may be applied against a tax liability
33 imposed under chapter 422, division II, III, or V. If
34 the business is a partnership, S corporation, limited
35 liability company, cooperative organized under chapter
36 501 or 501A and filing as a partnership for federal
37 tax purposes, or estate or trust electing to have the
38 income taxed directly to the individual, an individual
39 may claim the tax credit allowed. The amount claimed
40 by the individual shall be based upon the pro rata
41 share of the individual's earnings of the partnership,
42 S corporation, limited liability company, cooperative
43 organized under chapter 501 or 501A and filing as a
44 partnership for federal tax purposes, or estate or
45 trust."
46 ___. Page 48, by inserting after line 23 the
47 following:
48 "Sec. ___. Section 805.8C, subsection 6, as
49 amended by 2005 Iowa Acts, Senate File 169, section 9,
50 is amended to read as follows:

6. PSEUDOEPHEDRINE SALES VIOLATIONS. For violations of section 126.23A, subsection 1, by an employee of a retailer, or for violations of section 126.23A, subsection 2, paragraph "a", by a purchaser, the scheduled fine is as follows:

a. If the violation is a first offense, the scheduled fine is one hundred dollars.

b. If the violation is a second offense, the scheduled fine is two hundred fifty dollars.

c. If the violation is a third or subsequent offense, the scheduled fine is five hundred dollars."

___. Page 48, by inserting after line 23, the following:

"Sec. ___. 2005 Iowa Acts, House File 739, section 7, if enacted, is amended to read as follows:

SEC. 7. CONTINGENT EFFECTIVENESS. The sections of this Act ~~creating~~ amending Code chapter 280A or enacting new sections in Code chapter 280A take effect only if the general assembly appropriates funds for the fiscal year beginning July 1, 2005, in an amount sufficient to implement the provisions of Code chapter 280A, if enacted.

Sec. ___. 2005 Iowa Acts, House File 839, is amended by adding the following new section:

SEC. ___. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment of 2005 Iowa Acts, House File 882."

___. Page 48, by inserting after line 26 the following:

"DIVISION
STATE LIQUOR ACTIVITIES

Sec. ___. Section 123.53, subsection 3, Code 2005, is amended to read as follows:

3. The treasurer of state shall transfer into a special revenue account in the general fund of the state, a sum of money at least equal to seven percent of the gross amount of sales made by the division from the beer and liquor control fund on a monthly basis but not less than nine million dollars annually~~, and any amounts so~~. Of the amounts transferred, two million dollars, plus an additional amount determined by the general assembly, shall be ~~used by~~ appropriated to the substance abuse division of the Iowa department of public health to be used for substance abuse treatment and prevention programs ~~in an amount determined by the general assembly and any~~. Any amounts received in excess of the amounts appropriated to the substance abuse division of the Iowa department of public health shall be considered part of the general fund balance.

1 Sec. ___. ALCOHOLIC BEVERAGES DIVISION -- STATE
2 LIQUOR WAREHOUSE AND TRUCKING FUNCTIONS. The
3 department of administrative services shall issue a
4 request for proposals developed with the alcoholic
5 beverages division of the department of commerce or
6 otherwise utilize a competitive process not
7 inconsistent with the division's current charter
8 agency agreement to select a provider to perform the
9 state liquor warehouse and trucking functions. The
10 request for proposals or competitive process shall be
11 issued or commenced as soon as is reasonably possible
12 and a provider shall be selected no later than
13 December 31, 2005. The division may submit a bid in
14 response to a request for proposals issued or
15 competitive process conducted pursuant to this
16 section. If the division submits a bid, the division
17 shall include in the bid the cost of labor to perform
18 the contract which shall be calculated by using the
19 cost of hiring full-time equivalent positions to
20 perform the contract pursuant to state pay grade
21 classifications and benefits as outlined in the most
22 recent collective bargaining agreement applicable to
23 other employees of the division. Notwithstanding any
24 provision of chapter 22 to the contrary, the
25 division's bid and any documents the division uses in
26 developing its bid shall be considered a confidential
27 record until the department of administrative services
28 announces the results of the request for proposals or
29 competitive process.
30 Sec. ___. EFFECTIVE DATE. The section of this
31 division of this Act amending section 123.53 takes
32 effect July 1, 2006.
33 DIVISION
34 BOARD OF REGENTS
35 Sec. ___. Section 12B.10C, Code 2005, is amended
36 by adding the following new subsection:
37 NEW SUBSECTION. 10. The state board of regents
38 governed by chapter 262.
39 Sec. ___. Section 73A.1, subsection 2, Code 2005,
40 is amended to read as follows:
41 2. "Municipality" as used in this chapter means
42 township, school corporation, and state fair board~~,~~
43 ~~and state board of regents~~.
44 Sec. ___. Section 262.9, subsection 7, Code 2005,
45 is amended to read as follows:
46 7. ~~With the approval of the executive council,~~
47 ~~acquire~~ Acquire real estate for the proper uses of
48 ~~said~~ institutions under its control, and dispose of
49 real estate belonging to ~~said~~ the institutions when
50 not necessary for their purposes. ~~A~~ The disposal of

1 ~~such~~ real estate shall be made upon such terms,
2 conditions, and consideration as the board may
3 recommend ~~and subject to the approval of the executive~~
4 ~~council~~. If real estate subject to sale ~~hereunder~~ has
5 been purchased or acquired from appropriated funds,
6 the proceeds of such sale shall be deposited with the
7 treasurer of state and credited to the general fund of
8 the state. There is hereby appropriated from the
9 general fund of the state a sum equal to the proceeds
10 so deposited and credited to the general fund of the
11 state to the state board of regents, which~~, with the~~
12 ~~prior approval of the executive council,~~ may be used
13 to purchase other real estate and buildings~~,~~ and for
14 the construction and alteration of buildings and other
15 capital improvements. All transfers shall be by state
16 patent in the manner provided by law. The board is
17 also authorized to grant easements for rights-of-way
18 over, across, and under the surface of public lands
19 under its jurisdiction when in the board's judgment
20 such easements are desirable and will benefit the
21 state of Iowa.
22 Sec. ___. Section 262.9, subsection 15, unnumbered
23 paragraph 2, Code 2005, is amended by striking the
24 unnumbered paragraph.
25 Sec. ___. Section 262.10, unnumbered paragraph 1,
26 Code 2005, is amended to read as follows:
27 No sale or purchase of real estate shall be made
28 save upon the order of the board, made at a regular
29 meeting, or one called for that purpose, and then in
30 such manner and under such terms as the board may
31 prescribe ~~and only with the approval of the executive~~
32 ~~council~~. No member of the board or any of its
33 committees, offices or agencies nor any officer of any
34 institution, shall be directly or indirectly
35 interested in such purchase or sale.
36 Sec. ___. Section 262.33A, Code 2005, is amended
37 to read as follows:
38 262.33A FIRE AND ENVIRONMENTAL SAFETY -- REPORT --
39 EXPENDITURES.
40 It is the intent of the general assembly that each
41 institution of higher education under the control of
42 the state board of regents shall, in consultation with
43 the state fire marshal, identify and correct all
44 critical fire and environmental safety deficiencies.
45 ~~The state fire marshal shall report annually to the~~
46 ~~joint subcommittee on education appropriations. The~~
47 ~~report shall include, but is not limited to, the~~
48 ~~identified deficiencies in fire and environmental~~
49 ~~safety at the institutions, and plans for correction~~
50 ~~of the deficiencies and for compliance with this~~

1 ~~section.~~ Commencing July 1, 1993, each institution
2 under the control of the state board of regents shall
3 expend annually for fire safety and deferred
4 maintenance at least the amount budgeted for these
5 purposes for the fiscal year beginning July 1, 1992,
6 in addition to any moneys appropriated from the
7 general fund for these purposes in succeeding years.
8 Sec. ___. Section 262.34, Code 2005, is amended to
9 read as follows:
10 262.34 IMPROVEMENTS -- ADVERTISEMENT FOR BIDS --
11 DISCLOSURES -- PAYMENTS.
12 1. When the estimated cost of construction,
13 repairs, or improvement of buildings or grounds under
14 charge of the state board of regents exceeds ~~twenty-~~
15 ~~five~~ one hundred thousand dollars, the board shall
16 advertise for bids for the contemplated improvement or
17 construction and shall let the work to the lowest
18 responsible bidder. However, if in the judgment of
19 the board bids received are not acceptable, the board
20 may reject all bids and proceed with the construction,
21 repair, or improvement by a method as the board may
22 determine. All plans and specifications for repairs
23 or construction, together with bids on the plans or
24 specifications, shall be filed by the board and be
25 open for public inspection. All bids submitted under
26 this section shall be accompanied by a deposit of
27 money, a certified check, or a credit union certified
28 share draft in an amount as the board may prescribe.
29 2. A bidder awarded a contract shall disclose the
30 names of all subcontractors, who will work on the
31 project being bid, within forty-eight hours after the
32 award of the contract. If a subcontractor named by a
33 bidder awarded a contract is replaced, or if the cost
34 of work to be done by a subcontractor is reduced, the
35 bidder shall disclose the name of the new
36 subcontractor or the amount of the reduced cost.
37 3. Payments made by the board for the construction
38 of public improvements shall be made in accordance
39 with the provisions of chapter 573 except that:
40 a. Payments may be made without retention until
41 ninety-five percent of the contract amount has been
42 paid. The remaining five percent of the contract
43 amount shall be paid as provided in section 573.14,
44 except that:
45 (1) At any time after all or any part of the work
46 is substantially completed in accordance with
47 paragraph "c", the contractor may request the release
48 of all or part of the retainage owed. Such request
49 shall be accompanied by a waiver of claim rights under
50 the provisions of chapter 573 from any person, firm,

1 or corporation who has, under contract with the
2 principal contractor or with subcontractors performed
3 labor, or furnished materials, service, or
4 transportation in the construction of that portion of
5 the work for which release of the retainage is
6 requested.
7 (2) Upon receipt of the request, the board shall
8 release all or part of the unpaid funds. Retainage
9 that is approved as payable shall be paid at the time
10 of the next monthly payment or within thirty days,
11 whichever is sooner. If partial retainage is released
12 pursuant to a contractor's request, no retainage shall
13 be subsequently held based on that portion of the
14 work. If within thirty days of when payment becomes
15 due the board does not release the retainage due,
16 interest shall accrue on the retainage amount due as
17 provided in section 573.14 until that amount is paid.
18 (3) If at the time of the request for the
19 retainage there are remaining or incomplete minor
20 items, an amount equal to two hundred percent of the
21 value of each remaining or incomplete item, as
22 determined by the board's authorized contract
23 representative, may be withheld until such item or
24 items are completed.
25 (4) An itemization of the remaining or incomplete
26 items, or the reason that the request for release of
27 the retainage was denied, shall be provided to the
28 contractor in writing within thirty calendar days of
29 the receipt of the request for release of retainage.
30 b. For purposes of this section, "authorized
31 contract representative" means the architect or
32 engineer who is in charge of the project and chosen by
33 the board to represent its interests, or if there is
34 no architect or engineer, then such other contract
35 representative or officer as designated in the
36 contract documents as the party representing the
37 board's interest regarding administration and
38 oversight of the project.
39 c. For purposes of this section, "substantially
40 completed" means the first date on which any of the
41 following occurs:
42 (1) Completion of the project or when the work has
43 been substantially completed in general accordance
44 with the terms and provisions of the contract.
45 (2) The work or the portion designated is
46 sufficiently complete in accordance with the
47 requirements of the contract so the board can occupy
48 or utilize the work for its intended purpose.
49 (3) The project is certified as having been
50 substantially completed by either of the following:

(a) The architect or engineer authorized to make such certification.

(b) The contracting authority representing the board.

4. Each contractor or subcontractor shall withhold retainage, if at all, in the same manner as retainage is withheld from the contractor or subcontractor; and each subcontractor shall pass through all retainage payments to lower tier subcontractors in accordance with the provisions of chapter 573.

Sec. ___. Section 262.57, unnumbered paragraph 1, Code 2005, is amended to read as follows:

To pay all or any part of the cost of carrying out any project at any institution the board is authorized to borrow money and to issue and sell negotiable bonds or notes and to refund and refinance bonds or notes heretofore issued or as may be hereafter issued for any project or for refunding purposes at a lower rate, the same rate or a higher rate or rates of interest and from time to time as often as the board shall find it to be advisable and necessary so to do. Such bonds or notes may be sold by said board at public sale in the manner prescribed by chapter 75 but if the board shall find it to be advantageous and in the public interest to do so, such bonds or notes may be sold by the board at private sale without published notice of any kind and without regard to the requirements of chapter 75 in such manner and upon such terms as may be prescribed by the resolution authorizing the same~~, but such bonds or notes shall in any event be sold upon terms of not less than par plus accrued interest~~. Bonds or notes issued to refund other bonds or notes heretofore or hereafter issued by the board for residence hall or dormitory purposes at any institution, including dining or other facilities and additions, or heretofore or hereafter issued for refunding purposes, may either be sold in the manner hereinbefore specified and the proceeds thereof applied to the payment of the obligations being refunded, or the refunding bonds or notes may be exchanged for and in payment and discharge of the obligations being refunded, and a finding by the board in the resolution authorizing the issuance of such refunding bonds or notes that the bonds or notes being refunded were issued for a purpose specified in this division and constitute binding obligations of the board shall be conclusive and may be relied upon by any holder of any refunding bond or note issued under the provisions of this division. The refunding bonds or notes may be sold or exchanged in installments at

1 different times or an entire issue or series may be
2 sold or exchanged at one time. Any issue or series of
3 refunding bonds or notes may be exchanged in part or
4 sold in parts in installments at different times or at
5 one time. The refunding bonds or notes may be sold or
6 exchanged at any time on, before, or after the
7 maturity of any of the outstanding notes, bonds or
8 other obligations to be refinanced thereby and may be
9 issued for the purpose of refunding a like or greater
10 principal amount of bonds or notes, except that the
11 principal amount of the refunding bonds or notes may
12 exceed the principal amount of the bonds or notes to
13 be refunded to the extent necessary to pay any premium
14 due on the call of the bonds or notes to be refunded
15 or to fund interest in arrears or about to become due.
16 Sec. ___. Section 262.78, subsection 6, Code 2005,
17 is amended by striking the subsection.
18 Sec. ___. Section 262A.5, unnumbered paragraph 1,
19 Code 2005, is amended to read as follows:
20 The board is authorized to borrow money under this
21 chapter, and the board may issue and sell negotiable
22 bonds to pay all or any part of the cost of carrying
23 out any project at any institution and may refund and
24 refinance bonds issued for any project or for
25 refunding purposes at the same rate or at a higher or
26 lower rate or rates of interest. Bonds issued under
27 the provisions of this chapter shall be sold by said
28 board at public sale on the basis of sealed proposals
29 received pursuant to a notice specifying the time and
30 place of sale and the amount of bonds to be sold which
31 shall be published at least once not less than seven
32 days prior to the date of sale in a newspaper
33 published in the state of Iowa and having a general
34 circulation in said state. The provisions of chapter
35 75 shall ~~not~~ apply to bonds issued under authority
36 contained in this chapter~~, but such bonds shall be~~
37 ~~sold upon terms of not less than par plus accrued~~
38 ~~interest~~ to the extent not in conflict with this
39 chapter. Bonds issued to refund other bonds issued
40 under the provisions of this chapter may either be
41 sold in the manner hereinbefore specified and the
42 proceeds thereof applied to the payment of the
43 obligations being refunded, or the refunding bonds may
44 be exchanged for and in payment and discharge of the
45 obligations being refunded. The refunding bonds may
46 be sold or exchanged in installments at different
47 times or an entire issue or series may be sold or
48 exchanged at one time. Any issue or series of
49 refunding bonds may be exchanged in part or sold in
50 parts in installments at different times or at one

time. The refunding bonds may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding bonds or other obligations to be refinanced thereby and may be issued for the purpose of refunding a like or greater principal amount of bonds, except that the principal amount of the refunding bonds may exceed the principal amount of the bonds to be refunded to the extent necessary to pay any premium due on the call of the bonds to be refunded or to fund interest in arrears or which is to become due.

Sec. ___. Section 266.39F, subsection 2, unnumbered paragraph 2, Code 2005, is amended to read as follows:

The provisions of section 262.9, subsection 7, ~~and section 262.10,~~ shall not apply to the sale of any portion of land to be sold in accordance with this section or to the use of the proceeds from the sale of the land.

Sec. ___. Section 573.12, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Payments made under contracts for the construction of public improvements, unless provided otherwise by law, shall be made on the basis of monthly estimates of labor performed and material delivered, as determined by the project architect or engineer. The public corporation shall retain from each monthly payment not more than five percent of that amount which is determined to be due according to the estimate of the architect or engineer. ~~However, institutions governed pursuant to chapter 262 may, on contracts where a bond is required under section 573.2, make payments under this section without retention until ninety-five percent of the contract amount has been paid and the remaining five percent of the contract amount shall be paid as provided under section 573.14.~~

Sec. ___. Section 573.14, unnumbered paragraph 2, Code 2005, is amended to read as follows:

The public corporation shall order payment of any amount due the contractor to be made in accordance with the terms of the contract. Except as provided in section 573.12 for progress payments, failure to make payment pursuant to this section, of any amount due the contractor, within forty days, unless a greater time period not to exceed fifty days is specified in the contract documents, after the work under the contract has been completed and if the work has been accepted and all required materials, certifications, and other documentations required to be submitted by

1 the contractor and specified by the contract have been
2 furnished the awarding public corporation by the
3 contractor, shall cause interest to accrue on the
4 amount unpaid to the benefit of the unpaid party.
5 Interest shall accrue during the period commencing the
6 thirty-first day following the completion of work and
7 satisfaction of the other requirements of this
8 paragraph and ending on the date of payment. The rate
9 of interest shall be determined by the period of time
10 during which interest accrues, and shall be the same
11 as the rate of interest that is in effect under
12 section 12C.6, as of the day interest begins to
13 accrue, for a deposit of public funds for a comparable
14 period of time. <u>However, for institutions governed</u>
15 <u>pursuant to chapter 262, the rate of interest shall be</u>
16 <u>determined by the period of time during which interest</u>
17 <u>accrues, and shall be calculated as the prime rate</u>
18 <u>plus one percent per year as of the day interest</u>
19 <u>begins to accrue.</u> This paragraph does not abridge any
20 of the rights set forth in section 573.16. Except as
21 provided in sections 573.12 and 573.16, interest shall
22 not accrue on funds retained by the public corporation
23 to satisfy the provisions of this section regarding
24 claims on file. This chapter does not apply if the
25 public corporation has entered into a contract with
26 the federal government or accepted a federal grant
27 which is governed by federal law or rules that are
28 contrary to the provisions of this chapter. <u>For</u>
29 <u>purposes of this unnumbered paragraph, "prime rate"</u>
30 <u>means the prime rate charged by banks on short-term</u>
31 <u>business loans, as determined by the board of</u>
32 <u>governors of the federal reserve system and published</u>
33 <u>in the federal reserve bulletin.</u>
34 Sec. ___. Sections 262.64A, 262.67, 262A.3,
35 262A.6A, 263A.11, 265.6, and 473.12, Code 2005, are
36 repealed.
37 DIVISION
38 ENTREPRENEURS WITH DISABILITIES
39 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
40 -- TRANSFER OF ADMINISTRATION. The department of
41 economic development shall transfer the administrative
42 duties of the entrepreneurs with disabilities program
43 to the Iowa finance authority. The authority shall
44 adopt rules pursuant to chapter 17A for purposes of
45 administering the program. Any contract entered into
46 under the program by the department of economic
47 development remains valid. The transfer of
48 administrative duties to the authority shall not
49 constitute grounds for recision or modification of a
50 contract under the program entered into with the

department.
Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM -- APPROPRIATION. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, there is appropriated from the general fund of the state to the Iowa finance authority two hundred thousand dollars for purposes of the entrepreneurs with disabilities program."
___. Page 48, by inserting after line 26, the following:
"DIVISION
WIND ENERGY PRODUCTION TAX CREDIT
Sec. ___. Section 476B.1, subsection 4, paragraph c, Code 2005, is amended to read as follows:
c. Was originally placed in service on or after July 1, ~~2004~~ 2005, but before July 1, ~~2007~~ 2008.
Sec. ___. Section 476B.3, Code 2005, is amended to read as follows:
476B.3 CREDIT AMOUNT.
~~1. Except as limited by subsection 2, the~~ The wind energy production tax credit allowed under this chapter equals the product of one cent multiplied by the number of kilowatt-hours of qualified electricity sold by the owner during the taxable year.
~~2. a. The maximum amount of tax credit which a group of qualified facilities operating as one unit may receive for a taxable year equals the rate of credit times thirty-two percent of the total number of kilowatts of nameplate generating capacity.~~
~~b. However, if for the previous taxable year the amount of the tax credit for the group of qualified facilities operating as one unit is less than the maximum amount available as provided in paragraph "a", the maximum amount for the next taxable year shall be increased by the amount of the previous year's unused maximum credit.~~
Sec. ___. Section 476B.4, subsection 1, paragraph b, Code 2005, is amended by striking the paragraph.
Sec. ___. Section 476B.5, Code 2005, is amended by striking the section and inserting in lieu thereof the following:
476B.5 DETERMINATION OF ELIGIBILITY.
1. An owner may apply to the board for a written determination regarding whether a facility is a qualified facility by submitting to the board a written application containing all of the following:
a. Information regarding the ownership of the facility including the percentage of equity interest held by each owner.
b. The nameplate generating capacity of the

1 facility.
2 c. Information regarding the facility's initial
3 placement in service.
4 d. Information regarding the type of facility.
5 e. A copy of an executed power purchase agreement
6 or other agreement to purchase electricity upon
7 completion of the project.
8 f. Any other information the board may require.
9 2. The board shall review the application and
10 supporting information and shall make a preliminary
11 determination regarding whether the facility is a
12 qualified facility. The board shall notify the
13 applicant of the approval or denial of the application
14 within thirty days of receipt of the application and
15 information required. If the board fails to notify
16 the applicant of the approval or denial within thirty
17 days, the application shall be deemed denied. An
18 applicant who receives a determination denying an
19 application may file an appeal with the board within
20 thirty days from the date of the denial pursuant to
21 the provisions of chapter 17A. In the absence of a
22 timely appeal, the preliminary determination shall be
23 final. If the application is incomplete, the board
24 may grant an extension of time for the provision of
25 additional information.
26 3. A facility that is not operational within
27 eighteen months after issuance of an approval for the
28 facility by the board shall cease to be a qualified
29 facility. A facility that is granted and thereafter
30 loses approval may reapply to the board for a new
31 determination.
32 4. The maximum amount of nameplate generating
33 capacity of all qualified facilities the board may
34 find eligible under this chapter shall not exceed four
35 hundred fifty megawatts of nameplate generating
36 capacity.
37 5. An owner shall not be an owner of more than two
38 qualified facilities.
39 Sec. ___. Section 476B.6, Code 2005, is amended by
40 striking the section and inserting in lieu thereof the
41 following:
42 476B.6 TAX CREDIT CERTIFICATE PROCEDURE.
43 1. a. To be eligible to receive the wind energy
44 production tax credit, the owner must first receive
45 approval of the board of supervisors of the county in
46 which the qualified facility is located. The
47 application for approval may be submitted prior to
48 commencement of the construction of the qualified
49 facility but shall be submitted no later than the
50 close of the owner's first taxable year for which the

1 credit is to be applied for. The application must
2 contain the owner's name and address, the address of
3 the qualified facility, and the dates of the owner's
4 first and last taxable years for which the credit will
5 be applied for. Within forty-five days of the receipt
6 of the application for approval, the board of
7 supervisors shall either approve or disapprove the
8 application. After the forty-five-day limit, the
9 application is deemed to be approved.
10 b. Upon approval of the application, the owner may
11 apply for the tax credit as provided in subsection 2.
12 In addition, approval of the application is acceptance
13 by the applicant for the assessment of the qualified
14 facility for property tax purposes for a period of
15 twelve years and approval by the board of supervisors
16 for the payment of the property taxes levied on the
17 qualified property to the state. For purposes of
18 property taxation, the qualified facility shall be
19 centrally assessed and shall be exempt from any
20 replacement tax under section 437A.6 for the period
21 during which the facility is subject to property
22 taxation. The property taxes to be paid to the state
23 are those property taxes which make up the
24 consolidated tax levied on the qualified facility and
25 which are due and payable in the twelve-year period
26 beginning with the first fiscal year beginning on or
27 after the end of the owner's first taxable year for
28 which the credit is applied for. Upon approval of the
29 application, the board of supervisors shall notify the
30 county treasurer to state on the tax statement which
31 lists the taxes on the qualified facility that the
32 amount of the property taxes shall be paid to the
33 department. Payment of the designated property taxes
34 to the department shall be in the same manner as
35 required for the payment of regular property taxes and
36 failure to pay designated property taxes to the
37 department shall be treated the same as failure to pay
38 property taxes to the county treasurer.
39 c. Once the owner of the qualified facility
40 receives approval under paragraph "a", subsequent
41 approval under paragraph "a" is not required for the
42 same qualified facility for subsequent taxable years.
43 2. An owner of a qualified facility may apply to
44 the board for the wind energy production tax credit by
45 submitting to the board all of the following:
46 a. A completed application in a form prescribed by
47 the board.
48 b. A copy of the determination granting approval
49 of the facility as a qualified facility by the board.
50 c. A copy of a signed power purchase agreement or

1 other agreement to purchase electricity.
2 d. Sufficient documentation that the electricity
3 has been generated by the qualified facility and sold
4 to a purchaser.
5 e. Any other information the board deems
6 necessary.
7 3. The board shall notify the department of the
8 amount of kilowatt-hours generated and purchased from
9 a qualified facility. The department shall calculate
10 the amount of the tax credit for which the applicant
11 is eligible and shall issue the tax credit certificate
12 for that amount or notify the applicant in writing of
13 its refusal to do so. An applicant whose application
14 is denied may file an appeal with the department
15 within sixty days from the date of the denial pursuant
16 to the provisions of chapter 17A.
17 4. Each tax credit certificate shall contain the
18 owner's name, address, and tax identification number,
19 the amount of tax credits, the first taxable year the
20 certificate may be used, the type of tax to which the
21 tax credits shall be applied, and any other
22 information required by the department. The tax
23 credit certificate shall only list one type of tax to
24 which the amount of the tax credit may be applied.
25 Once issued by the department, the tax credit
26 certificate shall not be terminated or rescinded.
27 5. If the tax credit application is filed by a
28 partnership, limited liability company, S corporation,
29 estate, trust, or other reporting entity all of the
30 income of which is taxed directly to its equity
31 holders or beneficiaries, for the taxes imposed under
32 chapter 422, division II or III, the tax credit
33 certificate shall be issued directly to equity holders
34 or beneficiaries of the applicant in proportion to
35 their pro rata share of the income of such entity.
36 The applicant shall, in the application made under
37 this section, identify its equity holders or
38 beneficiaries, and the percentage of such entity's
39 income that is allocable to each equity holder or
40 beneficiary. If the tax credit application is filed
41 by a partnership, limited liability company, S
42 corporation, estate, trust, or other reporting entity,
43 all of whose income is taxed directly to its equity
44 holders or beneficiaries for the taxes imposed under
45 chapter 422, division V, or under chapter 432, the tax
46 credit certificate shall be issued directly to the
47 partnership, limited liability company, S corporation,
48 estate, trust, or other reporting entity.
49 6. The department shall not issue a tax credit
50 certificate if the facility approved by the board as a

1 qualified facility is not operational within eighteen
2 months after the approval is issued.
3 7. Once a tax credit certificate is issued
4 pursuant to this section, the tax credit may only be
5 claimed against the type of tax reflected on the
6 certificate.
7 8. A tax credit certificate shall not be used or
8 attached to a return filed for a taxable year
9 beginning prior to July 1, 2006.
10 Sec. ___. Section 476B.7, unnumbered paragraph 1,
11 Code 2005, is amended to read as follows:
12 Wind energy production tax credit certificates
13 issued under this chapter may be transferred to any
14 person or entity. Within thirty days of transfer, the
15 transferee must submit the transferred tax credit
16 certificate to the ~~board~~ department along with a
17 statement containing the transferee's name, tax
18 identification number, and address, and the
19 denomination that each replacement tax credit
20 certificate is to carry and any other information
21 required by the department. Within thirty days of
22 receiving the transferred tax credit certificate and
23 the transferee's statement, the ~~board~~ department shall
24 issue one or more replacement tax credit certificates
25 to the transferee. Each replacement certificate must
26 contain the information required under section 476B.6
27 and must have the same effective taxable year and the
28 same expiration date that appeared in the transferred
29 tax credit certificate. Tax credit certificate
30 amounts of less than the minimum amount established by
31 rule of the board shall not be transferable. A tax
32 credit shall not be claimed by a transferee under this
33 chapter until a replacement tax credit certificate
34 identifying the transferee as the proper holder has
35 been issued.
36 Sec. ___. Section 476B.8, Code 2005, is amended to
37 read as follows:
38 476B.8 USE OF TAX CREDIT CERTIFICATES.
39 To claim a wind energy production tax credit under
40 this chapter, a taxpayer must attach one or more tax
41 credit certificates to the taxpayer's tax return. A
42 tax credit certificate shall not be used or attached
43 to a return filed for a taxable year beginning prior
44 to July 1, ~~2005~~ 2006. The tax credit certificate or
45 certificates attached to the taxpayer's tax return
46 shall be issued in the taxpayer's name, expire on or
47 after the last day of the taxable year for which the
48 taxpayer is claiming the tax credit, and show a tax
49 credit amount equal to or greater than the tax credit
50 claimed on the taxpayer's tax return. Any tax credit

1 in excess of the taxpayer's tax liability for the
2 taxable year may be credited to the taxpayer's tax
3 liability for the following seven taxable years or
4 until depleted, whichever is the earlier.
5 Sec. ___. Section 476B.9, Code 2005, is amended to
6 read as follows:
7 476B.9 REGISTRATION OF TAX CREDIT CERTIFICATES.
8 The ~~board shall, in conjunction with the~~
9 department~~,~~ shall develop a system for the
10 registration of the wind energy production tax credit
11 certificates issued or transferred under this chapter
12 and a system that permits verification that any tax
13 credit claimed on a tax return is valid and that
14 transfers of the tax credit certificates are made in
15 accordance with the requirements of this chapter. The
16 tax credit certificates issued under this chapter
17 shall not be classified as a security pursuant to
18 chapter 502.
19 Sec. ___. NEW SECTION. 476B.10 RULES.
20 The department and the board may adopt rules
21 pursuant to chapter 17A for the administration and
22 enforcement of this chapter."
23 ___. Page 48, by inserting after line 26, the
24 following:
25 "DIVISION
26 PROVISIONS RELATING TO THE PRACTICE OF PHARMACY
27 Sec. ___. Section 155A.3, subsection 11, Code
28 2005, is amended to read as follows:
29 11. "Dispense" means to deliver a prescription
30 drug, device, or controlled substance to an ultimate
31 user or research subject by or pursuant to the lawful
32 prescription drug order or medication order of a
33 practitioner, including the prescribing,
34 administering, packaging, labeling, or compounding
35 necessary to prepare the substance for that delivery.
36 Sec. ___. Section 155A.3, Code 2005, is amended by
37 adding the following new subsection:
38 NEW SUBSECTION. 22A. "Logistics provider" means
39 an entity that provides or coordinates warehousing,
40 distribution, or other services on behalf of a
41 manufacturer or other owner of a drug, but does not
42 take title to the drug or have general responsibility
43 to direct its sale or other disposition.
44 Sec. ___. Section 155A.3, Code 2005, is amended by
45 adding the following new subsection:
46 NEW SUBSECTION. 23A. "Pedigree" means a recording
47 of each distribution of any given drug or device, from
48 the sale by the manufacturer through acquisition and
49 sale by any wholesaler, pursuant to rules adopted by
50 the board.

1 Sec. ___. Section 155A.3, subsection 33, paragraph
2 b, Code 2005, is amended to read as follows:
3 b. A drug or device that under federal law is
4 required, prior to being dispensed or delivered, to be
5 labeled with ~~either~~ one of the following statements:
6 (1) Caution: Federal law prohibits dispensing
7 without a prescription.
8 (2) Caution: Federal law restricts this drug to
9 use by or on the order of a licensed veterinarian.
10 (3) Caution: Federal law restricts this device to
11 sale by, or on the order of, a physician.
12 (4) Rx only.
13 Sec. ___. Section 155A.3, subsection 35, Code
14 2005, is amended to read as follows:
15 35. "Proprietary medicine" or "over-the-counter
16 medicine" means a nonnarcotic drug or device that may
17 be sold without a prescription and that is labeled and
18 packaged in compliance with applicable state or
19 federal law.
20 Sec. ___. Section 155A.3, subsection 38, Code
21 2005, is amended to read as follows:
22 38. "Wholesaler" means a person operating or
23 maintaining, either within or outside this state, a
24 manufacturing plant, wholesale distribution center,
25 wholesale business, or any other business in which
26 prescription drugs or devices, medicinal chemicals,
27 medicines, or poisons are sold, manufactured,
28 compounded, dispensed, stocked, exposed, distributed
29 from, or offered for sale at wholesale in this state.
30 "Wholesaler" does not include those wholesalers who
31 sell only proprietary or over-the-counter medicines.
32 "Wholesaler" also does not include a commercial
33 carrier that temporarily stores prescription drugs or
34 devices, medicinal chemicals, medicines, or poisons
35 while in transit.
36 Sec. ___. Section 155A.4, subsection 2, paragraph
37 a, Code 2005, is amended to read as follows:
38 a. A ~~manufacturer or~~ wholesaler to distribute
39 prescription drugs or devices as provided by state or
40 federal law.
41 Sec. ___. Section 155A.13, subsection 6,
42 unnumbered paragraph 1, Code 2005, is amended to read
43 as follows:
44 To qualify for a pharmacy license, the applicant
45 shall submit to the board a license fee as determined
46 by the board and a completed application on a form
47 prescribed by the board ~~that shall include the~~
48 ~~following information and~~. The application shall
49 include the following and such other information as
50 required by rules of the board and shall be given

1 under oath:
2 Sec. ___. Section 155A.17, subsection 2, Code
3 2005, is amended to read as follows:
4 2. The board shall establish standards for drug
5 wholesaler licensure and may define specific types of
6 wholesaler licenses. The board may deny, suspend, or
7 revoke a drug wholesale license for failure to meet
8 the applicable standards or for a violation of the
9 laws of this state, another state, or the United
10 States relating to prescription drugs, devices, or
11 controlled substances, or for a violation of this
12 chapter, chapter 124, 124A, 124B, 126, or 205, or a
13 rule of the board.
14 Sec. ___. Section 155A.17, subsection 3, Code
15 2005, is amended to read as follows:
16 3. The board shall adopt rules pursuant to chapter
17 17A on matters pertaining to the issuance of a
18 wholesale drug license. The rules shall provide for
19 conditions of licensure, compliance standards,
20 licensure fees, disciplinary action, and other
21 relevant matters. Additionally, the rules shall
22 establish provisions or exceptions for pharmacies,
23 chain pharmacy distribution centers, logistics
24 providers, and other types of wholesalers relating to
25 pedigree requirements, drug or device returns, and
26 other related matters, so as not to prevent or
27 interfere with usual, customary, and necessary
28 business activities.
29 Sec. ___. Section 155A.19, subsection 1, paragraph
30 f, Code 2005, is amended by striking the paragraph and
31 inserting in lieu thereof the following:
32 f. Change of legal name or doing-business-as name.
33 Sec. ___. Section 155A.19, Code 2005, is amended
34 by adding the following new subsection:
35 NEW SUBSECTION. 3. A wholesaler shall report in
36 writing to the board, pursuant to its rules, the
37 following:
38 a. Permanent closing or discontinuation of
39 wholesale distributions into this state.
40 b. Change of ownership.
41 c. Change of location.
42 d. Change of the wholesaler's responsible
43 individual.
44 e. Change of legal name or doing-business-as name.
45 f. Theft or significant loss of any controlled
46 substance on discovery of the theft or loss.
47 g. Disasters, accidents, and emergencies that may
48 affect the strength, purity, or labeling of drugs,
49 medications, devices, or other materials used in the
50 diagnosis or the treatment of injury, illness, and

1 disease.
2 h. Other information or activities as required by
3 rule.
4 Sec. ___. Section 155A.20, subsection 1, Code
5 2005, is amended to read as follows:
6 1. A person, other than a pharmacy or wholesaler
7 licensed under this chapter, shall not display in or
8 on any store, internet site, or place of business, nor
9 use in any advertising or promotional literature,
10 communication, or representation, the word or words:
11 "apothecary", "drug", "drug store", or "pharmacy",
12 either in English or any other language, any other
13 word or combination of words of the same or similar
14 meaning, or any graphic representation in a manner
15 that would mislead the public ~~unless it is a pharmacy~~
16 ~~or drug wholesaler licensed under this chapter~~.
17 Sec. ___. Section 155A.21, Code 2005, is amended
18 to read as follows:
19 155A.21 UNLAWFUL POSSESSION OF PRESCRIPTION DRUG
20 OR DEVICE -- PENALTY.
21 1. A person found in possession of a drug or
22 device limited to dispensation by prescription, unless
23 the drug or device was so lawfully dispensed, commits
24 a serious misdemeanor.
25 2. Subsection 1 does not apply to a licensed
26 pharmacy, licensed wholesaler, physician,
27 veterinarian, dentist, podiatric physician,
28 therapeutically certified optometrist, advanced
29 registered nurse practitioner, physician assistant, a
30 nurse acting under the direction of a physician, or
31 the board of pharmacy examiners, its officers, agents,
32 inspectors, and representatives, nor to a common
33 carrier, manufacturer's representative, or messenger
34 when transporting the drug or device in the same
35 unbroken package in which the drug or device was
36 delivered to that person for transportation.
37 Sec. ___. Section 155A.23, Code 2005, is amended
38 to read as follows:
39 155A.23 PROHIBITED ACTS.
40 A person shall not perform or cause the performance
41 of or aid and abet any of the following acts:
42 1. ~~Obtain or attempt~~ Obtaining or attempting to
43 obtain a prescription drug or device or ~~procure or~~
44 ~~attempt~~ procuring or attempting to procure the
45 administration of a prescription drug or device by:
46 a. ~~Fraud~~ Engaging in fraud, deceit,
47 misrepresentation, or subterfuge.
48 b. ~~Forgery or alteration of~~ Forging or altering a
49 written, electronic, or facsimile prescription or ~~of~~
50 any written, electronic, or facsimile order.

c. ~~Concealment of~~ Concealing a material fact.

d. ~~Use of~~ Using a false name or ~~the~~ giving ~~of~~ a false address.

2. Willfully ~~make~~ making a false statement in any prescription, report, or record required by this chapter.

3. For the purpose of obtaining a prescription drug or device, falsely ~~assume~~ assuming the title of or ~~claim~~ claiming to be a manufacturer, wholesaler, pharmacist, pharmacy owner, physician, dentist, podiatric physician, veterinarian, or other authorized person.

4. ~~Make or utter~~ Making or uttering any false or forged oral, written, electronic, or facsimile prescription or oral, written, electronic, or facsimile order.

5. ~~Affix any false or forged label to a package or receptacle containing prescription drugs~~ Forging, counterfeiting, simulating, or falsely representing any drug or device without the authority of the manufacturer, or using any mark, stamp, tag, label, or other identification device without the authorization of the manufacturer.

6. Manufacturing, repackaging, selling, delivering, or holding or offering for sale any drug or device that is adulterated, misbranded, counterfeit, suspected of being counterfeit, or that has otherwise been rendered unfit for distribution.

7. Adulterating, misbranding, or counterfeiting any drug or device.

8. Receiving any drug or device that is adulterated, misbranded, stolen, obtained by fraud or deceit, counterfeit, or suspected of being counterfeit, and delivering or proffering delivery of such drug or device for pay or otherwise.

9. Adulterating, mutilating, destroying, obliterating, or removing the whole or any part of the labeling of a drug or device or committing any other act with respect to a drug or device that results in the drug or device being misbranded.

10. Purchasing or receiving a drug or device from a person who is not licensed to distribute the drug or device to that purchaser or recipient.

11. Selling or transferring a drug or device to a person who is not authorized under the law of the jurisdiction in which the person receives the drug or device to purchase or possess the drug or device from the person selling or transferring the drug or device.

12. Failing to maintain or provide records as required by this chapter, chapter 124, or rules of the

1 board.
2 13. Providing the board or any of its
3 representatives or any state or federal official with
4 false or fraudulent records or making false or
5 fraudulent statements regarding any matter within the
6 scope of this chapter, chapter 124, or rules of the
7 board.
8 14. Distributing at wholesale any drug or device
9 that meets any of the following conditions:
10 a. The drug or device was purchased by a public or
11 private hospital or other health care entity.
12 b. The drug or device was donated or supplied at a
13 reduced price to a charitable organization.
14 c. The drug or device was purchased from a person
15 not licensed to distribute the drug or device.
16 d. The drug or device was stolen or obtained by
17 fraud or deceit.
18 15. Failing to obtain a license or operating
19 without a valid license when a license is required
20 pursuant to this chapter or chapter 147.
21 16. Engaging in misrepresentation or fraud in the
22 distribution of a drug or device.
23 17. Distributing a drug or device to a patient
24 without a prescription drug order or medication order
25 from a practitioner licensed by law to use or
26 prescribe the drug or device.
27 18. Distributing a drug or device that was
28 previously dispensed by a pharmacy or distributed by a
29 practitioner except as provided by rules of the board.
30 19. Failing to report any prohibited act.
31 Information communicated to a physician in an
32 unlawful effort to procure a prescription drug or
33 device or to procure the administration of a
34 prescription drug shall not be deemed a privileged
35 communication.
36 Subsections 6 and 7 shall not apply to the
37 wholesale distribution by a manufacturer of a
38 prescription drug or device that has been delivered
39 into commerce pursuant to an application approved by
40 the federal food and drug administration.
41 Sec. ___. Section 155A.24, Code 2005, is amended
42 to read as follows:
43 155A.24 PENALTIES.
44 1. ~~A~~ Except as otherwise provided in this section,
45 a person who violates a provision of section 155A.23
46 or who sells or offers for sale, gives away, or
47 administers to another person any prescription drug or
48 device in violation of this chapter commits a public
49 offense and shall be punished as follows:
50 a. If the prescription drug is a controlled

1 substance, the person shall be punished pursuant to
2 ~~section 124.401, subsection 1, and section 124.411~~
3 chapter 124, division IV.
4 b. If the prescription drug is not a controlled
5 substance, the person, upon conviction of a first
6 offense, is guilty of a serious misdemeanor. For a
7 second offense, or if in case of a first offense the
8 offender previously has been convicted of any
9 violation of the laws of the United States or of any
10 state, territory, or district thereof relating to
11 prescription drugs or devices, the offender is guilty
12 of an aggravated misdemeanor. For a third or
13 subsequent offense or if in the case of a second
14 offense the offender previously has been convicted two
15 or more times in the aggregate of any violation of the
16 laws of the United States or of any state, territory,
17 or district thereof relating to prescription drugs or
18 devices, the offender is guilty of a class "D" felony.
19 2. A person who violates any provision of this
20 chapter by selling, giving away, or administering any
21 prescription drug or device to a minor is guilty of a
22 class "C" felony.
23 3. A wholesaler who, with intent to defraud or
24 deceive, fails to deliver to another person, when
25 required by rules of the board, complete and accurate
26 pedigree concerning a drug prior to transferring the
27 drug to another person is guilty of a class "C"
28 felony.
29 4. A wholesaler who, with intent to defraud or
30 deceive, fails to acquire, when required by rules of
31 the board, complete and accurate pedigree concerning a
32 drug prior to obtaining the drug from another person
33 is guilty of a class "C" felony.
34 5. A wholesaler who knowingly destroys, alters,
35 conceals, or fails to maintain, as required by rules
36 of the board, complete and accurate pedigree
37 concerning any drug in the person's possession is
38 guilty of a class "C" felony.
39 6. A wholesaler who is in possession of pedigree
40 documents required by rules of the board, and who
41 knowingly fails to authenticate the matters contained
42 in the documents as required, and who nevertheless
43 distributes or attempts to further distribute drugs is
44 guilty of a class "C" felony.
45 7. A wholesaler who, with intent to defraud or
46 deceive, falsely swears or certifies that the person
47 has authenticated any documents related to the
48 wholesale distribution of drugs or devices is guilty
49 of a class "C" felony.
50 8. A wholesaler who knowingly forges,

1 counterfeits, or falsely creates any pedigree, who
2 falsely represents any factual matter contained in any
3 pedigree, or who knowingly omits to record material
4 information required to be recorded in a pedigree is
5 guilty of a class "C" felony.
6 9. A wholesaler who knowingly purchases or
7 receives drugs or devices from a person not authorized
8 to distribute drugs or devices in wholesale
9 distribution is guilty of a class "C" felony.
10 10. A wholesaler who knowingly sells, barters,
11 brokers, or transfers a drug or device to a person not
12 authorized to purchase the drug or device under the
13 jurisdiction in which the person receives the drug or
14 device in a wholesale distribution is guilty of a
15 class "C" felony.
16 11. A person who knowingly manufacturers, sells,
17 or delivers, or who possesses with intent to sell or
18 deliver, a counterfeit, misbranded, or adulterated
19 drug or device is guilty of the following:
20 a. If the person manufactures or produces a
21 counterfeit, misbranded, or adulterated drug or
22 device; or if the quantity of a counterfeit,
23 misbranded, or adulterated drug or device being sold,
24 delivered, or possessed with intent to sell or deliver
25 exceeds one thousand units or dosages; or if the
26 violation is a third or subsequent violation of this
27 subsection, the person is guilty of a class "C"
28 felony.
29 b. If the quantity of a counterfeit, misbranded,
30 or adulterated drug or device being sold, delivered,
31 or possessed with intent to sell or deliver exceeds
32 one hundred units or dosages but does not exceed one
33 thousand units or dosages; or if the violation is a
34 second or subsequent violation of this subsection, the
35 person is guilty of a class "D" felony.
36 c. All other violations of this subsection shall
37 constitute an aggravated misdemeanor.
38 12. A person who knowingly forges, counterfeits,
39 or falsely creates any label for a drug or device or
40 who falsely represents any factual matter contained on
41 any label of a drug or device is guilty of a class "C"
42 felony.
43 13. A person who knowingly possesses, purchases,
44 or brings into the state a counterfeit, misbranded, or
45 adulterated drug or device is guilty of the following:
46 a. If the quantity of a counterfeit, misbranded,
47 or adulterated drug or device being possessed,
48 purchased, or brought into the state exceeds one
49 hundred units or dosages; or if the violation is a
50 second or subsequent violation of this subsection, the

1 person is guilty of a class "D" felony.
2 b. All other violations of this subsection shall
3 constitute an aggravated misdemeanor.
4 14. This section does not prevent a licensed
5 practitioner of medicine, dentistry, podiatry,
6 nursing, veterinary medicine, optometry, or pharmacy
7 from acts necessary in the ethical and legal
8 performance of the practitioner's profession.
9 15. Subsections 1 and 2 shall not apply to a
10 parent or legal guardian administering, in good faith,
11 a prescription drug or device to a child of the parent
12 or a child for whom the individual is designated a
13 legal guardian.
14 Sec. ___. NEW SECTION. 155A.40 CRIMINAL HISTORY
15 RECORD CHECKS.
16 1. The board may request and obtain,
17 notwithstanding section 692.2, subsection 5, criminal
18 history data for any applicant for an initial or
19 renewal license or registration issued pursuant to
20 this chapter or chapter 147, any applicant for
21 reinstatement of a license or registration issued
22 pursuant to this chapter or chapter 147, or any
23 licensee or registrant who is being monitored as a
24 result of a board order or agreement resolving an
25 administrative disciplinary action, for the purpose of
26 evaluating the applicant's, licensee's, or
27 registrant's eligibility for licensure, registration,
28 or suitability for continued practice of the
29 profession. Criminal history data may be requested
30 for all owners, managers, and principal employees of a
31 pharmacy or drug wholesaler licensed pursuant to this
32 chapter. The board shall adopt rules pursuant to
33 chapter 17A to implement this section. The board
34 shall inform the applicant, licensee, or registrant of
35 the criminal history requirement and obtain a signed
36 waiver from the applicant, licensee, or registrant
37 prior to submitting a criminal history data request.
38 2. A request for criminal history data shall be
39 submitted to the department of public safety, division
40 of criminal investigation and bureau of
41 identification, pursuant to section 692.2, subsection
42 1. The board may also require such applicants,
43 licensees, and registrants to provide a full set of
44 fingerprints, in a form and manner prescribed by the
45 board. Such fingerprints may be submitted to the
46 federal bureau of investigation through the state
47 criminal history repository for a national criminal
48 history check. The board may authorize alternate
49 methods or sources for obtaining criminal history
50 record information. The board may, in addition to any

1 other fees, charge and collect such amounts as may be
2 incurred by the board, the department of public
3 safety, or the federal bureau of investigation in
4 obtaining criminal history information. Amounts
5 collected shall be considered repayment receipts as
6 defined in section 8.2.
7 3. Criminal history information relating to an
8 applicant, licensee, or registrant obtained by the
9 board pursuant to this section is confidential. The
10 board may, however, use such information in a license
11 or registration denial proceeding. In a disciplinary
12 proceeding, such information shall constitute
13 investigative information under section 272C.6,
14 subsection 4, and may be used only for purposes
15 consistent with that section.
16 4. This section shall not apply to a manufacturer
17 of a prescription drug or device that has been
18 delivered into commerce pursuant to an application
19 approved by the federal food and drug administration.
20 Sec. ___. NEW SECTION. 155A.41 CONTINUOUS
21 QUALITY IMPROVEMENT PROGRAM.
22 1. Each licensed pharmacy shall implement or
23 participate in a continuous quality improvement
24 program to review pharmacy procedures in order to
25 identify methods for addressing pharmacy medication
26 errors and for improving patient use of medications
27 and patient care services. Under the program, each
28 pharmacy shall assess its practices and identify areas
29 for quality improvement.
30 2. The board shall adopt rules for the
31 administration of a continuous quality improvement
32 program. The rules shall address all of the
33 following:
34 a. Program requirements and procedures.
35 b. Program record and reporting requirements.
36 c. Any other provisions necessary for the
37 administration of a program."
38 ___. Page 48, by inserting after line 26, the
39 following:
40 "DIVISION
41 NEW RESIDENTIAL CONSTRUCTION DEFECT CASES
42 Sec. ___. NEW SECTION. 657B.1 DEFINITIONS.
43 For the purposes of this chapter, the following
44 definitions shall apply:
45 1. "Builder" means a builder, developer, or
46 original seller of a new residential unit that is sold
47 on or after July 1, 2005.
48 2. "Claimant" includes an individual owner of a
49 single-family home, an individual unit owner of an
50 attached dwelling, and, in the case of a common

1 interest development, an association, but does not
2 include any person or entity not in privity of
3 contract with a builder.
4 Sec. ___. NEW SECTION. 657B.2 NOTICE OF CLAIM.
5 1. Prior to filing an action for recovery of
6 property damages arising out of, or related to
7 deficiencies in, the residential construction, design,
8 specifications, survey, plan, supervision, testing, or
9 observation of construction against a builder, the
10 claimant shall provide written notice by certified
11 mail, overnight mail, or personal delivery to the
12 builder that the construction, design, specifications,
13 survey, plan, supervision, testing, or observation of
14 construction of the claimant's residence is deficient
15 or violates the applicable housing code or city
16 ordinance. The notice shall state the claimant's
17 name, address, and contact information, shall state
18 that the claimant alleges a violation against the
19 builder, and shall describe the nature of the claim in
20 sufficient detail in order to determine the nature and
21 location of the alleged violation. The document shall
22 have the same force and effect as a notice of
23 commencement of a lawsuit.
24 2. The notice requirements of this section do not
25 preclude a claimant from seeking redress through a
26 customer service procedure set forth in a contract,
27 warranty, or other document generated by the builder.
28 Sec. ___. NEW SECTION. 657B.3 BUILDER'S RECEIPT
29 OF CLAIM -- ACKNOWLEDGMENT.
30 Within fourteen days of receipt of a claimant's
31 notice of claim, the builder shall provide a written
32 acknowledgment of receipt of the claim.
33 Sec. ___. NEW SECTION. 657B.4 REPAIRS.
34 Within fourteen days of the builder's
35 acknowledgment of receipt of a claimant's notice of
36 claim, the builder may offer in writing to repair a
37 deficiency, which shall include all of the following:
38 1. An offer to compensate the claimant for
39 property damages recoverable at law.
40 2. A detailed statement identifying the particular
41 deficiency to be repaired, an explanation of the
42 nature, scope, and location of the repair needed, and
43 the estimated completion date of the repair, which
44 shall occur within a reasonable period of time.
45 Sec. ___. NEW SECTION. 657B.5 WHEN ACTION FOR
46 DAMAGES ALLOWED.
47 A claimant may file an action seeking recovery of
48 damages against the builder under the following
49 circumstances:
50 1. If the builder fails to make an offer to

1 repair, performs an inadequate repair, or does not
2 complete a repair within a reasonable period of time.
3 2. If the builder fails to strictly comply with
4 the requirements of this chapter.
5 Sec. ___. NEW SECTION. 657B.6 STATUTE OF
6 LIMITATIONS.
7 The provision of a written notice under section
8 657B.2 tolls any applicable statute of limitations
9 from the date of the provision of the notice through
10 the estimated completion date of the repair pursuant
11 to section 657B.4.
12 Sec. ___. NEW SECTION. 657B.7 NOTICE OF
13 ALTERNATIVE DISPUTE RESOLUTION PROCESS.
14 Prior to commencing construction of a residential
15 unit, the builder shall provide a written notice of
16 the alternative dispute resolution process contained
17 in this chapter to the claimant who shall acknowledge
18 in writing receipt of the notice."
19 ___. Title page, line 1, by inserting after the
20 word "Act" the following: "relating to state and
21 local finances by providing for tax exemptions,
22 credits, tax credit transfers, and other tax-related
23 matters and by".
24 ___. Title page, line 2, by inserting after the
25 word "fees," the following: "providing for wind
26 energy production tax credits,".
27 ___. Title page, line 2, by inserting before the
28 word "properly" the following: "remedies and other".
29 ___. Title page, line 2, by inserting after the
30 word "matters" the following: "and penalties"."
31 11. By renumbering, relettering, or redesignating
32 and correcting internal references as necessary.

**By** DIX of Butler
KUHN of Floyd

**H-1711** FILED MAY 20, 2005
ADOPTED

## HOUSE FILE 882

**H-1712**

1 Amend the amendment, H-1711, to the Senate
2 amendment, H-1703, to House File 882, as amended,
3 passed, and reprinted by the House, as follows:
4 1. Page 1, line 21, by inserting after the word
5 "management" the following: "after consultation with
6 the legislative services agency".
7 2. Page 1, by striking lines 26 through 29 and
8 inserting the following: "and shall be prioritized by
9 program or the results to be achieved. The estimates
10 shall be accompanied by performance measures for
11 evaluating the effectiveness of the programs or
12 results."

**By** DIX of Butler

**H-1712** FILED MAY 20, 2005
ADOPTED

## HOUSE FILE 882

**H-1713**

1 Amend the amendment, H-1711, to the Senate
2 amendment, H-1703, to House File 882, as amended,
3 passed, and reprinted by the House, as follows:
4 1. Page 14, by striking lines 21 through 46 and
5 inserting the following:
6 "Sec. ___. Section 692A.13, subsection 5, as
7 amended by 2005 Iowa Acts, House File 619, if enacted,
8 is amended to read as follows:
9 5. Relevant information provided to the general
10 public may include the offender's name, address, a
11 photograph, ~~the results of any risk assessment,~~
12 locations frequented by the offender, relevant
13 criminal history information from the registry, and
14 any other relevant information. Relevant information
15 provided to the public shall not include the identity
16 of any victim. For purposes of inclusion in the sex
17 offender registry's web page or dissemination to the
18 general public, a conviction for incest shall be
19 disclosed as either a violation of section 709.4 or
20 709.8."
21 2. Page 14, by inserting after line 48 the
22 following:
23 "Sec. ___. Section 692A.13A, if enacted by 2005
24 Iowa Acts, House File 619, is repealed."

**By** T. TAYLOR of Linn

**H-1713** FILED MAY 20, 2005
LOST

## HOUSE FILE 882

**H-1714**

1 Amend the amendment, H-1711, to the Senate
2 amendment, H-1703, to House File 882, as amended,
3 passed, and reprinted by the House, as follows:
4 1. By striking page 45, line 38, through page 47,
5 line 18.
6 2. Page 47, by striking lines 27 and 28.
7 3. By renumbering as necessary.

**By** DIX of Butler

**H-1714** FILED MAY 20, 2005
ADOPTED

1 Amend the Senate amendment, H-1703, to House File
2 882, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 9, by inserting after line 17 the
5 following:
6 "___. Page 18, by inserting after line 11 the
7 following:
8 "Sec. ___. Section 99F.4A, subsection 8,
9 unnumbered paragraph 1, Code 2005, is amended to read
10 as follows:
11 The commission shall, upon the immediate payment of
12 the applicable table games license fee and submission
13 to the commission by June 1, ~~2005~~ 2006, of an
14 application by a licensee of a pari-mutuel dog or
15 horse racetrack licensed to conduct gambling games at
16 a pari-mutuel racetrack enclosure, issue a license to
17 the licensee to conduct table games of chance,
18 including video machines that simulate table games of
19 chance, at the pari-mutuel racetrack enclosure subject
20 to the requirements of this subsection. However, a
21 table games license may only be issued to a licensee
22 required to pay a table games license fee of three
23 million dollars under this subsection if the licensee,
24 and all other licensees of an excursion gambling boat
25 in that county, file an agreement with the commission
26 authorizing the granting of a table games license
27 under this subsection and permitting all licensees of
28 an excursion gambling boat to operate a moored barge
29 as of a specific date. The licensee shall be granted
30 a table games license by the commission without
31 conducting a separate referendum authorizing table
32 games upon payment of the applicable license fee to
33 the commission which table games license fee may be
34 offset by the licensee against taxes imposed on the
35 licensee by section 99F.11, to the extent of twenty
36 percent of the table games license fee paid pursuant
37 to this subsection for each of five consecutive fiscal
38 years beginning with the fiscal year beginning July 1,
39 2008. Fees paid pursuant to this subsection are not
40 refundable to the licensee. A licensee shall not be
41 required to pay a fee to renew a table games license
42 issued pursuant to this subsection. Moneys collected
43 by the commission from a table games license fee paid
44 under this subsection shall be deposited in the
45 rebuild Iowa infrastructure fund created in section
46 8.57.""
47 2. Page 15, by inserting after line 18 the
48 following:
49 "___. Page 24, by inserting after line 17 the
50 following:

1 "Sec. ___. EFFECTIVE DATE. The section of this
2 division of this Act amending section 99F.4A,
3 subsection 8, being deemed of immediate importance,
4 takes effect upon enactment.""
5 3. By renumbering as necessary.

**By** JOCHUM of Dubuque

**H-1708** FILED MAY 20, 2005
LOST

## HOUSE FILE 882

**H-1709**

1 Amend the Senate amendment, H-1703, to House File
2 882, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 9, line 27, by inserting after the word
5 "county" the following: "or the state".
6 2. Page 15, by inserting after line 18, the
7 following:
8 "___. Page 24, by inserting after line 17, the
9 following:
10 "Sec. ___. EFFECTIVE DATE. The section of this
11 division of this Act amending section 331.439 takes
12 effect July 1, 2006.""

**By** MILLER of Webster
GASKILL of Wapello
MERTZ of Kossuth

**H-1709** FILED MAY 20, 2005
WITHDRAWN

Amend the Senate amendment, H-1703, to House File 882, as amended, passed, and reprinted by the House, as follows:

1. By striking page 1, line 3, through page 49, line 22, and inserting the following:

"___. Page 2, by inserting after line 5 the following:

"Sec. ___. BUDGET PROCESS FOR FISCAL YEAR 2006-2007.

1. For the budget process applicable to the fiscal year beginning July 1, 2006, on or before October 1, 2005, 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.

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 results to be achieved by expenditures. The estimates shall be accompanied by performance measures for evaluating the effectiveness of the programs connected to the expenditures."

___. Page 4, by inserting after line 22, the following:

"Sec. ___. Section 8.8, Code 2005, 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 ~~thirty~~ fifty thousand dollars for distribution to one or more organizations which administer special olympics programs benefiting the citizens of Iowa with disabilities."

___. Page 5, by inserting after line 11 the following:

"Sec. ___. DEPARTMENT OF CULTURAL AFFAIRS -- NONPROFIT MUSIC ENTITIES. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, twenty-five thousand dollars for purposes of providing two twelve thousand

1 five hundred dollar grants to nonprofit music
2 entities. A recipient of a grant shall be a nonprofit
3 entity that is formed with members including local
4 musicians, music promoters, representatives of music
5 venues and businesses, community leaders, and live
6 music enthusiasts who discuss, assess, and expedite
7 the implementation of a unified music agenda for a
8 local community and aggressively advocates, sponsors,
9 and develops an independent, progressive live music
10 economy in a local community."
11 ___. Page 5, line 13, by inserting before the
12 word "department" the following: "Iowa".
13 ___. Page 5, by inserting before line 21, the
14 following:
15 "Sec. ___. HEALTHY IOWANS TOBACCO TRUST -- PKU
16 ASSISTANCE. There is appropriated from the healthy
17 Iowans tobacco trust created in section 12.65 to the
18 Iowa department of public health for the fiscal year
19 beginning July 1, 2005, and ending June 30, 2006, the
20 following amount, or so much thereof as is necessary,
21 to be used for the purpose designated:
22 For providing grants to individual patients who
23 have phenylketonuria (PKU) to assist with the costs of
24 special food needed:
25 ..... $ 60,000
26 Sec. ___. ENRICH IOWA LIBRARIES PROGRAM. There is
27 appropriated from the rebuild Iowa infrastructure fund
28 to the department of education for the fiscal year
29 beginning July 1, 2005, and ending June 30, 2006, the
30 following amount, or so much thereof as is necessary:
31 To provide resources for structural and
32 technological improvements to local libraries and for
33 the enrich Iowa program, notwithstanding section 8.57,
34 subsection 6, paragraph "c":
35 ..... $ 200,000
36 Sec. ___. DEPARTMENT OF EDUCATION -- COMMUNITY
37 COLLEGES. There is appropriated from the rebuild Iowa
38 infrastructure fund to the department of education for
39 the designated fiscal years, the following amounts, or
40 so much thereof as is necessary, to be used for the
41 purposes designated:
42 For major renovation and major repair needs,
43 including health, life, and fire safety needs, and for
44 compliance with the federal Americans With
45 Disabilities Act, for state buildings and facilities
46 under the purview of the community colleges:
47 FY 2006-2007..... $ 2,000,000
48 FY 2007-2008..... $ 2,000,000
49 FY 2008-2009..... $ 2,000,000
50 The moneys appropriated in this section shall be

1 allocated to the community colleges based upon the
2 distribution formula established in section 260C.18C,
3 if enacted by 2005 Iowa Acts, House File 816.
4 Notwithstanding section 8.33, moneys appropriated
5 in this section shall not revert at the close of the
6 fiscal year for which they were appropriated but shall
7 remain available for the purposes designated until the
8 close of the fiscal year that begins July 1, 2010, or
9 until the project for which the appropriation was made
10 is completed, whichever is earlier."
11 ___. Page 5, by striking lines 21 through 29.
12 ___. Page 5, lines 31 and 32, by striking the
13 words "state department of transportation" and
14 inserting the following: "homeland security and
15 emergency management division of the department of
16 public safety".
17 ___. Page 6, line 1, by striking the figure
18 "125,000" and inserting the following: "100,000".
19 ___. Page 6, by striking lines 2 through 19.
20 ___. Page 6, by inserting before line 20, the
21 following:
22 "Sec. ___. HEALTHY IOWANS TOBACCO TRUST -- AIDS
23 DRUG ASSISTANCE PROGRAM. There is appropriated from
24 the healthy Iowans tobacco trust created in section
25 12.65 to the Iowa department of public health for the
26 fiscal year beginning July 1, 2005, and ending June
27 30, 2006, the following amount, or so much thereof as
28 is necessary, to be used for the purpose designated:
29 For additional funding to leverage federal funding
30 through the federal Ryan White Care Act, Title II,
31 AIDS drug assistance program supplemental drug
32 treatment grants:
33 ..... $ 275,000
34 Sec. ___. GREAT PLACES. There is appropriated
35 from the general fund of the state to the department
36 of cultural affairs for the fiscal year beginning July
37 1, 2004, and ending June 30, 2005, the following
38 amount, or so much thereof as is necessary, to be used
39 for the purposes designated:
40 For salaries, support, maintenance, and
41 miscellaneous purposes:
42 ..... $ 100,000
43 Notwithstanding section 8.33, any moneys
44 appropriated in this section that remain unencumbered
45 or unobligated at the close of the fiscal year shall
46 not revert but shall remain available for expenditure
47 for the purposes designated until the close of the
48 succeeding fiscal year.
49 Sec. ___. UNDERGROUND STORAGE TANK FUND --
50 WATERSHED IMPROVEMENT FUND -- FY 2005-2006.

1 Notwithstanding section 455G.3, subsection 1, there is
2 appropriated from the Iowa comprehensive petroleum
3 underground storage tank fund created in section
4 455G.3, subsection 1, to the office of the treasurer
5 of state during the fiscal year beginning July 1,
6 2005, and ending June 30, 2006, the following amount,
7 or so much thereof as is necessary, to be used for the
8 purpose designated:
9 For deposit in the watershed improvement fund
10 created in 2005 Iowa Acts, Senate File 200, if
11 enacted:
12 ..... $ 5,000,000
13 Moneys in the watershed improvement fund are
14 appropriated for the fiscal year beginning July 1,
15 2005, and ending June 30, 2006, to fulfill the duties
16 of the watershed improvement review board, if enacted
17 by 2005 Iowa Acts, Senate File 200."
18 ___. Page 6, by striking lines 31 through 35.
19 ___. By striking page 7, line 1, through page 11,
20 line 16.
21 ___. Page 11, by inserting before line 17, the
22 following:
23 "Sec. ___. 2005 Iowa Acts, House File 862, section
24 1, subsection 2, paragraph h, unnumbered paragraph 1,
25 and paragraph i, unnumbered paragraph 1, if enacted,
26 are amended to read as follows:
27 For a grant program to provide substance abuse
28 prevention programming for children:
29 ..... $ ~~400,000~~
30 200,000
31 For a grant to a program that utilizes high school
32 mentors to teach life skills, violence prevention, and
33 character education in an effort to reduce the illegal
34 use of alcohol, tobacco, and other substances:
35 ..... $ ~~400,000~~
36 200,000
37 Sec. ___. 2005 Iowa Acts, House File 862, section
38 1, subsection 2, paragraph j, if enacted, is amended
39 to read as follows:
40 j. For a grant program to provide substance abuse
41 prevention programming, including tobacco use
42 prevention programming, for children:
43 ..... $ ~~800,000~~
44 400,000
45 The Iowa department of public health shall utilize
46 a request for proposals process to implement this
47 paragraph "j". A program approved for a grant under
48 paragraph "h" or paragraph "i" shall not be eligible
49 for a grant under this paragraph "j".
50 Eligible grant applicants shall include, but shall

not be limited to, mentoring organizations and organizations that practice and implement nationally accepted standards for mentoring programs.

All grant recipients shall participate in a program evaluation as a requirement for receiving grant funds.

Sec. ___. NATIONAL GOVERNORS ASSOCIATION MEETING. 2004 Iowa Acts, chapter 1175, section 12, subsection 4, as amended by 2005 Iowa Acts, House File 810, if enacted, is amended to read as follows:

4. NATIONAL GOVERNORS ASSOCIATION

For payment of Iowa's membership in the national governors association:

..... $ ~~364,393~~ 164,393

Of the funds appropriated in this subsection, ~~$300,000~~ $100,000 is allocated for security-related costs and other expenses associated with the national governors association national meeting. Notwithstanding section 8.33, the moneys allocated for the meeting 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.

Sec. ___. 2005 Iowa Acts, House File 881, section 5, unnumbered paragraph 1, if enacted, is amended to read as follows:

There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies, excluding the state board of regents, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount of $~~38,500,000~~ 40,900,000, or so much thereof as may be necessary, to fully fund annual pay adjustments, expense reimbursements, and related benefits implemented pursuant to the following:"

___. By striking page 12, line 18, through page 13, line 4.

___. Page 13, by striking lines 27 through 33.

___. Page 13, by inserting before line 34, the following:

"___. The sections of this division of this Act appropriating moneys to the department of cultural affairs for great places and amending 2004 Iowa Acts, chapter 1175, section 12, subsection 4, being deemed of immediate importance, take effect upon enactment."

___. Page 13, by inserting before line 34 the following:

1 "DIVISION
2 APPROPRIATION REVISIONS
3 Sec. ___. JOBS FOR AMERICA'S GRADUATES. There is
4 appropriated from the general fund of the state to the
5 department of education for the fiscal year beginning
6 July 1, 2005, and ending June 30, 2006, the following
7 amount, or so much thereof as is necessary, to be used
8 for the purpose designated:
9 For school districts to provide direct services to
10 the most at-risk senior high school students enrolled
11 in school districts through direct intervention by a
12 jobs for America's graduates specialist:
13 ..... $ 400,000
14 Sec. ___. DEPARTMENT OF ADMINISTRATIVE SERVICES --
15 FINANCIAL ADMINISTRATION. There is appropriated from
16 the general fund of the state to the department of
17 administrative services for the fiscal year beginning
18 July 1, 2005, and ending June 30, 2006, the following
19 amount, or so much thereof as is necessary, to be used
20 for the purpose designated:
21 For financial administration duties:
22 ..... $ 200,000
23 Sec. ___. DEPARTMENT OF MANAGEMENT -- PERFORMANCE
24 AUDITS. There is appropriated from the general fund
25 of the state to the department of management for the
26 fiscal year beginning July 1, 2005, and ending June
27 30, 2006, the following amount, or so much thereof as
28 is necessary, to be used for the purposes designated:
29 For conducting performance audits and developing
30 performance measures, including salaries, support,
31 maintenance, miscellaneous purposes, and for not more
32 than the following full-time equivalent positions:
33 ..... $ 216,000
34 ..... FTEs 2.50
35 Sec. ___. GOVERNOR'S OFFICE OF DRUG CONTROL
36 POLICY. If 2005 Iowa Acts, House File 810, is enacted
37 and provides for an appropriation from the general
38 fund of the state to the governor's office of drug
39 control policy for the fiscal year beginning July 1,
40 2005, and ending June 30, 2006, that appropriation is
41 reduced by the following amount:
42 ..... $ 13,195
43 Sec. ___. DEPARTMENT OF INSPECTIONS AND APPEALS --
44 ADMINISTRATION DIVISION. If 2005 Iowa Acts, House
45 File 810, is enacted and provides for an appropriation
46 from the general fund of the state to the department
47 of inspections and appeals, administration division,
48 for the fiscal year beginning July 1, 2005, and ending
49 June 30, 2006, that appropriation is reduced by the
50 following amount:

1 ..... $ 49,000
2 Sec. ___. DEPARTMENT OF REVENUE -- OPERATIONS. If
3 2005 Iowa Acts, House File 810, is enacted and
4 provides for an appropriation from the general fund of
5 the state to the department of revenue for operations
6 for the fiscal year beginning July 1, 2005, and ending
7 June 30, 2006, that appropriation is reduced by the
8 following amount:
9 ..... $ 25,882
10 Sec. ___. DEPARTMENT OF AGRICULTURE AND LAND
11 STEWARDSHIP -- SOIL AND WATER CONSERVATION DISTRICTS.
12 If 2005 Iowa Acts, House File 808, is enacted and
13 provides for an appropriation from the general fund of
14 the state to the department of agriculture and land
15 stewardship for purposes of reimbursing commissioners
16 of soil and water conservation districts for expenses,
17 for the fiscal year beginning July 1, 2005, and ending
18 June 30, 2006, that appropriation is reduced by the
19 following amount:
20 ..... $ 50,000
21 Sec. ___. COLLEGE STUDENT AID COMMISSION. If 2005
22 Iowa Acts, House File 816, is enacted and provides for
23 an appropriation from the general fund of the state to
24 the college student aid commission for the national
25 guard educational assistance program for the fiscal
26 year beginning July 1, 2005, and ending June 30, 2006,
27 that appropriation is reduced by the following amount:
28 ..... $ 75,000
29 Sec. ___. DEPARTMENT OF MANAGEMENT. If 2005 Iowa
30 Acts, House File 816 is enacted and provides for an
31 appropriation from the general fund of the state to
32 the department of management for allocation to the
33 institute for tomorrow's workforce created under
34 chapter 7K, if enacted by 2005 Iowa Acts, House File
35 816, for the fiscal year beginning July 1, 2005, and
36 ending June 30, 2006, that appropriation is reduced by
37 the following amount:
38 ..... $ 100,000
39 Sec. ___. IOWA DEPARTMENT OF PUBLIC HEALTH. If
40 2005 Iowa Acts, House File 825, is enacted and
41 provides for appropriations from the general fund of
42 the state to the Iowa department of public health for
43 the fiscal year beginning July 1, 2005, and ending
44 June 30, 2006, for the following indicated purposes in
45 2005 Iowa Acts, House File 825, those appropriations
46 are reduced by the following amounts:
47 1. For environmental hazards:
48 ..... $ 50,000
49 2. For injuries:
50 ..... $ 50,000

1 3. For public protection:
2 ..... $ 40,000
3 Sec. ___. MEDICAL ASSISTANCE APPROPRIATION. If
4 2005 Iowa Acts, House File 825, is enacted and
5 provides for an appropriation from the general fund of
6 the state to the department of human services for the
7 fiscal year beginning July 1, 2005, and ending June
8 30, 2006, for the medical assistance program, that
9 appropriation is reduced by the following amount:
10 ..... $ 11,353,381
11 Sec. ___. SENIOR LIVING TRUST FUND APPROPRIATION.
12 If 2005 Iowa Acts, House File 825, is enacted and
13 provides for an appropriation from the senior living
14 trust fund to the department of human services for the
15 fiscal year beginning July 1, 2005, and ending June
16 30, 2006, to supplement the medical assistance
17 appropriation, that appropriation is increased by the
18 following amount:
19 ..... $ 9,353,381
20 Sec. ___. DEPARTMENT OF HUMAN SERVICES. If 2005
21 Iowa Acts, House File 825, is enacted and provides for
22 appropriations from the general fund of the state to
23 the department of human services for the fiscal year
24 beginning July 1, 2005, and ending June 30, 2006, for
25 the following indicated purposes, those appropriations
26 are reduced by the following amounts:
27 1. For the children's health insurance program:
28 ..... $ 50,000
29 2. For MI/MR/DD state cases:
30 ..... $ 50,000
31 Sec. ___. DEPARTMENT OF JUSTICE -- GENERAL OFFICE.
32 If 2005 Iowa Acts, House File 811, is enacted and
33 provides for an appropriation from the general fund of
34 the state to the department of justice for the
35 department's general office, that appropriation is
36 reduced by the following amount:
37 ..... $ 25,000
38 Sec. ___. DEPARTMENT OF CORRECTIONS. If 2005 Iowa
39 Acts, House File 811, is enacted and provides for an
40 appropriation from the general fund of the state to
41 the department of corrections for offender substance
42 abuse and mental health treatment for the fiscal year
43 beginning July 1, 2005, and ending June 30, 2006, that
44 appropriation is reduced by the following amount:
45 ..... $ 100,000
46 Sec. ___. DEPARTMENT OF PUBLIC SAFETY -- BUILDING
47 SECURITY. If 2005 Iowa Acts, House File 875, is
48 enacted and provides for an appropriation from the
49 general fund of the state to the department of public
50 safety for capitol building and judicial building

1 security for the fiscal year beginning July 1, 2005,
2 and ending June 30, 2006, that appropriation is
3 reduced by the following amount:
4 ..... $ 25,000
5 Sec. ___. JUDICIAL BRANCH. If 2005 Iowa Acts,
6 House File 807, is enacted and provides for an
7 appropriation from the general fund of the state to
8 the judicial branch for the fiscal year beginning July
9 1, 2005, and ending June 30, 2006, that appropriation
10 is reduced by the following amount:
11 ..... $ 50,000
12 Sec. ___. REGISTERED NURSE RECRUITMENT PROGRAM
13 FUNDS. From the funds appropriated for tuition grants
14 pursuant to section 261.25, subsection 1, for the
15 fiscal year beginning July 1, 2005, up to fifty
16 thousand dollars shall be used to provide forgivable
17 loans as provided in section 261.23 to residents of
18 Iowa who are registered nurses and who are seeking to
19 become qualified as nursing faculty in Iowa and to
20 teach in Iowa schools. To qualify for a forgivable
21 loan pursuant to this section, in addition to the
22 requirements of section 261.23, a person shall be
23 enrolled at a not-for-profit accredited school of
24 nursing that is located in this state.
25 Sec. ___. HEALTH FACILITIES COUNCIL. If 2005 Iowa
26 Acts, House File 810, is enacted and includes an
27 appropriation from the general fund of the state to
28 the department of inspections and appeals for the
29 health facilities council for the fiscal year
30 beginning July 1, 2005, and ending June 30, 2006, any
31 provision of that appropriation designating the use of
32 $80,000 and a full-time equivalent position for a
33 particular purpose shall not be applied.
34 Sec. ___. YOUTH ENRICHMENT PILOT PROJECT -- YOUTH
35 LEADERSHIP PROGRAM.
36 1. Of the funds appropriated in 2005 Iowa Acts,
37 House File 807, if enacted, from the general fund of
38 the state to the judicial branch for purposes of a
39 youth enrichment pilot project, for the fiscal year
40 beginning July 1, 2005, and ending June 30, 2006,
41 $50,000 is transferred to the department of
42 corrections to be used for a youth leadership program
43 in the sixth judicial district department of
44 correctional services in accordance with subsection 2.
45 2. The moneys transferred pursuant to subsection 1
46 shall be used by the judicial district department of
47 correctional services to establish or maintain a youth
48 leadership model program to help at-risk youth in the
49 judicial district department of correctional services.
50 As a part of the program, the judicial district

1 department of correctional services may recruit
2 college or high school students in the judicial
3 district to work with at-risk youth. The student
4 workers shall be recruited regardless of gender, be
5 recommended by their respective schools as good role
6 models, including, but not limited to, students who
7 possess capabilities in one or more of the following
8 areas of ability: intellectual capacity, athletic,
9 visual arts, or performing arts.
10 Sec. ___. CENTER FOR CONGENITAL AND INHERITED
11 DISORDERS CENTRAL REGISTRY. Notwithstanding section
12 144.13A, subsection 4, paragraph "a", for the fiscal
13 year beginning July 1, 2005, $40,000 of the fees
14 collected by the state registrar that would otherwise
15 be appropriated and used for the center for congenital
16 and inherited disorders central registry established
17 pursuant to section 136A.6 shall be credited to the
18 general fund of the state."
19 ___. Page 13, by inserting after line 35, the
20 following:
21 "Sec. ___. Section 8D.2, subsection 5, paragraph
22 b, Code 2005, is amended to read as follows:
23 b. For the purposes of this chapter, "public
24 agency" also includes any homeland security or defense
25 facility <u>or disaster response agency</u> established by
26 the administrator of the homeland security and
27 emergency management division of the department of
28 public defense or the governor or any facility
29 connected with a security or defense system <u>or</u>
30 <u>disaster response</u> as required by the administrator of
31 the homeland security and emergency management
32 division of the department of public defense or the
33 governor.
34 Sec. ___. Section 8D.9, subsection 3, Code 2005,
35 is amended to read as follows:
36 3. A facility that is considered a public agency
37 pursuant to section 8D.2, subsection 5, paragraph "b",
38 shall be authorized to access the Iowa communications
39 network strictly for homeland security communication
40 purposes <u>and disaster communication purposes</u>. Any
41 utilization of the network that is not related to
42 communications concerning homeland security <u>or a</u>
43 <u>disaster, as defined in section 29C.2,</u> is expressly
44 prohibited. <u>Access under this subsection shall be</u>
45 <u>available only if a state of disaster emergency is</u>
46 <u>proclaimed by the governor pursuant to section 29C.6</u>
47 <u>or a homeland security or disaster event occurs</u>
48 <u>requiring connection of disparate communications</u>
49 <u>systems between public agencies to provide for a</u>
50 <u>multi-agency or multi-jurisdictional response. Access</u>

1 shall continue only for the period of time the
2 homeland security or disaster event exists. For
3 purposes of this subsection, disaster communication
4 purposes includes training and exercising for a
5 disaster if public notice of the training and
6 exercising session is posted on the website of the
7 homeland security and emergency management division of
8 the department of public defense. A scheduled and
9 noticed training and exercising session shall not
10 exceed five days. Interpretation and application of
11 the provisions of this subsection shall be strictly
12 construed."
13 ___. By striking page 14, line 1, through page
14 15, line 17.
15 ___. Page 18, by inserting after line 30, the
16 following:
17 "Sec. ___. Section 331.439, Code 2005, is amended
18 by adding the following new subsection:
19 NEW SUBSECTION. 9. The county management plan
20 shall designate at least one hospital licensed under
21 chapter 135B that the county has contracted with to
22 provide services covered under the plan. If the
23 designated hospital does not have a bed available to
24 provide the services, the county is responsible for
25 the cost of covered services provided at an alternate
26 hospital licensed under chapter 135B.
27 Sec. ___. Section 364.17, subsection 3, paragraph
28 a, Code 2005, is amended to read as follows:
29 a. A schedule of civil penalties or criminal fines
30 for violations. A city may charge the owner of
31 housing a late payment fee of twenty-five dollars and
32 may add interest of up to one and one-half percent per
33 month if a penalty or fine imposed under this
34 paragraph is not paid within thirty days of the date
35 that the penalty or fine is due. The city shall send
36 a notice of the late payment fee to such owner by
37 first class mail to the owner's personal or business
38 mailing address. The late payment fee and the
39 interest shall not accrue if such owner files an
40 appeal with either the city, if the city has
41 established an appeals procedure, or the district
42 court. Any unpaid penalty, fine, fee, or interest
43 shall constitute a lien on the real property and may
44 be collected in the same manner as a property tax.
45 However, before a lien is filed, the city shall send a
46 notice of intent to file a lien to the owner of the
47 housing by first class mail to such owner's personal
48 or business mailing address.
49 Sec. ___. Section 364.17, subsection 5, Code 2005,
50 is amended to read as follows:

1 5. Cities may establish reasonable fees for
2 inspection and enforcement procedures. A city may
3 charge the owner of housing a late payment penalty of
4 twenty-five dollars and may add interest of up to one
5 and one-half percent per month if a fee imposed under
6 this subsection is not paid within thirty days of the
7 date that the fee is due. The city shall send a
8 notice of the late payment penalty to such owner by
9 first class mail to the owner's personal or business
10 mailing address. The late payment penalty and the
11 interest shall not accrue if such owner files an
12 appeal with either the city, if the city has
13 established an appeals procedure, or the district
14 court. Any unpaid fee, penalty, or interest shall
15 constitute a lien on the real property and may be
16 collected in the same manner as a property tax.
17 However, before a lien is filed, the city shall send a
18 notice of intent to file a lien to the owner of the
19 housing by first class mail to such owner's personal
20 or business mailing address.
21 Sec. ___. Section 384.16, subsection 1, unnumbered
22 paragraph 2, Code 2005, is amended to read as follows:
23 A budget must show comparisons between the
24 estimated expenditures in each program in the
25 following year ~~and the actual expenditures in each~~
26 ~~program during the two preceding years~~, the latest
27 estimated expenditures in each program in the current
28 year, and the actual expenditures in each program from
29 the annual report as provided in section 384.22, or as
30 corrected by a subsequent audit report. Wherever
31 practicable, as provided in rules of the committee, a
32 budget must show comparisons between the levels of
33 service provided by each program as estimated for the
34 following year, and actual levels of service provided
35 by each program during the two preceding years.
36 Sec. ___. Section 384.16, Code 2005, is amended by
37 adding the following new subsection:
38 NEW SUBSECTION. 7. A city that does not submit a
39 budget in compliance with this section shall have all
40 state funds withheld until a budget that is in
41 compliance with this section is filed with the county
42 auditor and subsequently received by the department of
43 management. The department of management shall send
44 notice to state agencies responsible for disbursement
45 of state funds and that notice is sufficient
46 authorization for those funds to be withheld until
47 later notice is given by the department of management
48 to release those funds."
49 ___. Page 20, by inserting after line 34, the
50 following:

1 "Sec. ___. Section 427.1, subsection 21, Code
2 2005, is amended to read as follows:
3 21. LOW-RENT HOUSING. The property owned and
4 operated or controlled by a nonprofit organization, as
5 recognized by the internal revenue service, providing
6 low-rent housing for persons who are elderly and
7 persons with physical and mental disabilities. The
8 exemption granted under the provisions of this
9 subsection shall apply only until the ~~terms~~ final
10 payment due date of the borrower's original low-rent
11 housing development mortgage or until the borrower's
12 original low-rent housing development mortgage is paid
13 in full or expires, whichever is sooner, subject to
14 the provisions of subsection 14. However, if the
15 borrower's original low-rent housing development
16 mortgage is refinanced, the exemption shall apply only
17 until the date that would have been the final payment
18 due date under the terms of the borrower's original
19 low-rent housing development mortgage or until the
20 refinanced mortgage is paid in full or expires,
21 whichever is sooner, subject to the provisions of
22 subsection 14."
23 ___. Page 21, by inserting after line 8, the
24 following:
25 "Sec. ___. Section 427.1, subsection 30, Code
26 2005, is amended to read as follows:
27 30. MANUFACTURED HOME COMMUNITY OR MOBILE HOME
28 PARK STORM SHELTER. A structure constructed as a
29 storm shelter at a manufactured home community or
30 mobile home park as defined in section 435.1. An
31 application for this exemption shall be filed with the
32 assessing authority not later than February 1 of the
33 first year for which the exemption is requested, on
34 forms provided by the department of revenue. The
35 application shall describe and locate the storm
36 shelter to be exempted. If the storm shelter
37 structure is used exclusively as a storm shelter, all
38 of the structure's assessed value shall be exempt from
39 taxation. If the storm shelter structure is not used
40 exclusively as a storm shelter, the storm shelter
41 structure shall be assessed for taxation at ~~seventy-~~
42 ~~five~~ fifty percent of its value as commercial
43 property."
44 ___. Page 23, by inserting after line 35, the
45 following:
46 "Sec. ___. Section 602.10110, Code 2005, is
47 amended to read as follows:
48 602.10110 OATH.
49 All persons on being admitted to the bar shall take
50 an oath or affirmation, as promulgated by the supreme

1 court, declaring to support the Constitutions of the
2 United States and of the state of Iowa, and to
3 faithfully discharge, according to the best of their
4 ability, the duties of an attorney ~~and counselor of~~
5 ~~this state according to the best of their ability~~.
6 Sec. ___. Section 692A.4A, if enacted by 2005 Iowa
7 Acts, House File 619, is amended to read as follows:
8 692A.4A ELECTRONIC MONITORING.
9 A person required to register under this chapter
10 who is placed on probation, parole, work release,
11 special sentence, or any other type of conditional
12 release, may be supervised by an electronic tracking
13 and monitoring system in addition to any other
14 conditions of supervision. However, if the person
15 committed a criminal offense against a minor, or an
16 aggravated offense, sexually violent offense, or other
17 relevant offense that involved a minor, the person
18 shall be supervised for a period of at least five
19 years by an electronic tracking and monitoring system
20 in addition to any other conditions of release.
21 Sec. ___. Section 692A.13A, subsection 1,
22 unnumbered paragraph 1, if enacted by 2005 Iowa Acts,
23 House File 619, is amended to read as follows:
24 The department of corrections, the department of
25 human services, and the department of public safety
26 shall, in consultation with one another, develop
27 methods and procedures for the assessment of the risk
28 to reoffend for persons newly required to register
29 under this chapter on or after the effective date of
30 this division of this Act, who have committed a
31 criminal offense against a minor, or an aggravated
32 offense, sexually violent offense, or other relevant
33 offense that involved a minor. The department of
34 corrections, in consultation with the department of
35 human services, the department of public safety, and
36 the attorney general, shall adopt rules relating to
37 assessment procedures. The assessment procedures
38 shall include procedures for the sharing of
39 information between the department of corrections,
40 department of human services, the juvenile court, and
41 the division of criminal investigation of the
42 department of public safety, as well as the
43 communication of the results of the risk assessment to
44 criminal and juvenile justice agencies. The
45 assignment of responsibility for the assessment of
46 risk shall be as follows:
47 Sec. ___. Section 602.10112, Code 2005, is
48 repealed."
49 ___. Page 24, by inserting before line 1, the
50 following:

1 "Sec. ___. VEHICLE DEALERSHIP STUDY. The
2 legislative council is requested to appoint an interim
3 study committee that will study the motor vehicle
4 licensing law as it pertains to motor vehicle
5 dealerships' moves from one facility and location to
6 another facility and location in the state. A report
7 should be provided to the general assembly by January
8 15, 2006."
9 2. Page 24, line 18, by striking the word
10 "section" and inserting the following: "sections".
11 3. Page 24, line 19, by inserting after the word
12 "Act" the following: "amending section 427.1,
13 subsection 21, and".
14 4. Page 24, line 20, by striking the words "a
15 property tax exemption" and inserting the following:
16 "property tax exemptions".
17 5. Page 24, by inserting after line 21, the
18 following:
19 "Sec. ___. RETROACTIVE APPLICABILITY DATE. The
20 section of this division of this Act amending section
21 423E.5, being deemed of immediate importance, takes
22 effect upon enactment and applies retroactively to
23 July 1, 2004.
24 Sec. ___. EFFECTIVE AND APPLICABILITY DATES. The
25 sections of this division of this Act amending section
26 427.1, subsection 21, and enacting new subsection 21A
27 to section 427.1, being deemed of immediate
28 importance, take effect upon enactment and apply
29 retroactively to January 1, 2005, for assessment years
30 beginning on or after that date.
31 Sec. ___. APPLICABILITY. Section 25B.7 does not
32 apply to the amendment to section 427.1, subsection
33 30, in this division of this Act."
34 ___. Page 24, by inserting after line 27, the
35 following:
36 "Sec. ___. EFFECTIVE DATE. The sections of this
37 division of this Act amending section 602.10110 and
38 repealing section 602.10112, being deemed of immediate
39 importance, take effect upon enactment."
40 ___. By striking page 24, line 28, through page
41 28, line 30.
42 ___. By striking page 35, line 25, through page
43 36, line 25 and inserting the following:
44 "Sec. ___. COUNTY REAL ESTATE ELECTRONIC
45 GOVERNMENT ADVISORY COMMITTEE.
46 1. A county real estate electronic government
47 advisory committee is created. Staffing services for
48 the advisory committee shall be provided by the
49 auditor of state. The advisory committee membership
50 shall consist of the following:

1 a. Two members selected by the Iowa state
2 association of county auditors.
3 b. Two members selected by the Iowa state county
4 treasurers association.
5 c. Two members selected by the Iowa county
6 recorders association.
7 d. Two members selected by the Iowa state
8 association of assessors.
9 e. One member selected by each of the following
10 organizations:
11 (1) Iowa state association of counties.
12 (2) Iowa land title association.
13 (3) Iowa bankers association.
14 (4) Iowa credit union league.
15 (5) Iowa state bar association.
16 (6) Iowa association of realtors.
17 2. The county real estate electronic government
18 advisory committee shall facilitate discussion to
19 integrate the county land record information system
20 created pursuant to section 331.605C with the
21 electronic government internet applications of county
22 treasurers, county recorders, county auditors, and
23 county assessors. The advisory committee shall file
24 an integration plan with the governor and the general
25 assembly on or before November 1, 2005."
26 6. By striking page 36, line 34, through page 37,
27 line 2, and inserting the following: "of the county
28 land record information system. The Iowa county
29 recorders".
30 7. Page 37, by striking line 21, and inserting
31 the following: "documents in the county land record
32 information system until authorized by the".
33 8. Page 37, line 22, by inserting after the word
34 "assembly." the following: "However, county recorders
35 may collect actual third-party fees associated with
36 accepting and processing statutorily authorized fees
37 including credit card fees, treasury management fees,
38 and other transaction fees required to enable
39 electronic payment. For the purposes of this
40 subsection, the term "third-party" does not include
41 the county land record information system, the Iowa
42 state association of counties, or any of the
43 association's affiliates."
44 9. Page 37, lines 24 and 25, by striking the
45 words "and the department of administrative services".
46 10. Page 37, by inserting after line 33, the
47 following:
48 "Sec. ___. DATA SECURITY AUDIT.
49 1. The Iowa county recorders association shall
50 select a vendor to conduct a data security audit of

1 the county land record information system created
2 pursuant to section 331.605C. The review and
3 assessment utilized in the audit shall include, but
4 are not limited to, a review of the functional and
5 system requirements, design documentation, software
6 code developed to support the business requirements,
7 operational procedures, financial flows including a
8 financial forecast, requests for proposals, and all
9 contracts.
10 2. The costs of the data security audit conducted
11 pursuant to subsection 1 shall be paid from moneys
12 appropriated to the treasurer of state pursuant to
13 section 331.605C.
14 3. The Iowa county recorders association shall
15 forward the complete results of the data security
16 audit to the government oversight committees of the
17 senate and the house of representatives and the
18 general assembly on or before December 1, 2005, and
19 the government oversight committees may request
20 additional updates."
21 ___. Page 39, by striking lines 26 through 33.
22 ___. Page 39, by inserting before line 34 the
23 following:
24 "Sec. ___. Section 28.3, subsection 6, paragraph
25 b, Code 2005, as amended by 2005 Iowa Acts, House File
26 761, section 5, if enacted, is amended to read as
27 follows:
28 b. In addition, a community empowerment office is
29 established as a division of the department of
30 management to provide a center for facilitation,
31 communication, and coordination for community
32 empowerment activities and funding and for improvement
33 of the early care, education, health, and human
34 services systems. Staffing for the community
35 empowerment office shall be provided by a facilitator
36 or coordinator appointed by the governor, subject to
37 confirmation by the senate, and who serves at the
38 pleasure of the governor. A deputy and support staff
39 may be designated, subject to appropriation made for
40 this purpose. The facilitator or coordinator shall
41 submit reports to the governor, the Iowa board, and
42 the general assembly. The facilitator <u>or coordinator</u>
43 shall provide primary staffing to the board,
44 coordinate state technical assistance activities and
45 implementation of the technical assistance system, and
46 other communication and coordination functions to move
47 authority and decision-making responsibility from the
48 state to communities and individuals.
49 Sec. ___. Section 28.4, subsection 14, if enacted
50 by 2005 Iowa Acts, House File 761, section 9, is

1 amended to read as follows:
2 14. With the assistance of the state departments
3 represented on the Iowa empowerment board and the
4 community empowerment office, develop and implement
5 requirements for community empowerment areas and the
6 state administrators of programs providing early care
7 or early care services to annually report to the
8 public and the early care ~~coordinator~~ staff designated
9 pursuant to section 28.3 regarding the results
10 produced by the community empowerment initiative and
11 by the programs. Source data shall also be made
12 available to the early care ~~coordinator~~."
13 ___. Page 43, by inserting after line 17, the
14 following:
15 "___. Section 135M.6, as enacted by 2005 Iowa
16 Acts, House File 724, section 6, is amended to read as
17 follows:
18 135M.6 SAMPLE PRESCRIPTION DRUGS.
19 This chapter shall not be construed to restrict the
20 use of samples by a physician or other person legally
21 authorized to prescribe drugs ~~pursuant to section~~
22 ~~147.107~~ under state and federal law during the course
23 of the physician's or other person's duties at a
24 medical facility or pharmacy."
25 ___. Page 46, by inserting after line 18, the
26 following:
27 "Sec. ___. Section 453A.47A, subsection 4, and
28 subsection 9, unnumbered paragraph 1, as enacted by
29 2005 Iowa Acts, House File 339, section 4, are amended
30 to read as follows:
31 4. RETAILER -- CIGARETTES AND TOBACCO PRODUCTS. A
32 retailer, as defined in section 453A.1, who holds a
33 permit under division I of this chapter is not
34 required to also obtain a ~~retailer~~ retail permit under
35 this division. However, if a retailer, as defined in
36 section 453A.1, only holds a permit under division I
37 of this chapter and that permit is suspended, revoked,
38 or expired, the retailer shall not sell any cigarettes
39 or tobacco products during the time which the permit
40 is suspended, revoked, or expired.
41 ~~Retailer~~ Retail permits shall be issued only upon
42 applications, accompanied by the fee indicated above,
43 made upon forms furnished by the department upon
44 written request. The failure to furnish such forms
45 shall be no excuse for the failure to file the form
46 unless absolute refusal is shown. The forms shall
47 specify:
48 Sec. ___. Section 483A.8, subsection 5, Code 2005,
49 is amended to read as follows:
50 5. A nonresident owning land in this state may

apply for ~~one of the first six thousand~~ a nonresident antlered or any sex deer ~~licenses not limited to antlerless deer~~ hunting license, and the provisions of subsection 3 shall apply. However, if a nonresident owning land in this state is unsuccessful in obtaining one of the ~~first six thousand~~ nonresident antlered or any sex deer hunting licenses, the landowner shall be given preference for one of the ~~two thousand five hundred~~ antlerless deer only nonresident deer hunting licenses available pursuant to subsection 3. A nonresident owning land in this state shall pay the fee for a nonresident antlerless only deer license and the license shall be valid to hunt on the nonresident's land only. ~~A nonresident owning land in this state is eligible for only one nonresident deer license annually.~~ If one or more parcels of land have multiple nonresident owners, only one of the nonresident owners is eligible for a nonresident antlerless only deer license. If a nonresident jointly owns land in this state with a resident, the nonresident shall not be given preference for a nonresident antlerless only deer license. The department may require proof of land ownership from a nonresident landowner applying for a nonresident antlerless only deer license.

Sec. ___. Section 501A.231, subsection 5, if enacted by 2005 Iowa Acts, House File 859, section 17, is amended to read as follows:

5. The secretary of state may provide for the change of registered office or registered agent on the form prescribed by the secretary of state for the biennial report, provided that the form contains the information required by section 501A.402. If the secretary of state determines that a biennial report does not contain the information required by this section but otherwise meets the requirements of section ~~501.402~~ 501A.402 for the purpose of changing the registered office or registered agent, the secretary of state shall file the statement of change of registered office or registered agent, effective as provided in section 501A.203, before returning the biennial report to the cooperative as provided in this section. A statement of change of registered office or agent pursuant to this subsection shall be executed by a person authorized to execute the biennial report.

Sec. ___. Section 501A.1001, subsection 4, if enacted by 2005 Iowa Acts, House File 859, section 73, is amended to read as follows:

4. The determinations of the board as to the amount or fair value or the fairness to the

1 cooperative of the contribution accepted or to be
2 accepted by the cooperative or the terms of payment or
3 performance, including under a contribution ~~rights~~
4 agreement in section 501A.1003, and a contribution
5 rights agreement in section 501A.1004, are presumed to
6 be proper if they are made in good faith and on the
7 basis of accounting methods, or a fair valuation or
8 other method, reasonable in the circumstances.
9 Directors who are present and entitled to vote, and
10 who, intentionally or without reasonable
11 investigation, fail to vote against approving a
12 consideration that is unfair to the cooperative, or
13 overvalue property or services received or to be
14 received by the cooperative as a contribution, are
15 jointly and severally liable to the cooperative for
16 the benefit of the then members who did not consent to
17 and are damaged by the action to the extent of the
18 damages of those members. A director against whom a
19 claim is asserted under this subsection, except in
20 case of knowing participation in a deliberate fraud,
21 is entitled to contribution on an equitable basis from
22 other directors who are liable under this subsection.
23 Sec. ___. Section 10B.4, subsection 1, Code 2005,
24 as amended by 2005 Iowa Acts, House File 859, section
25 102, if enacted, is amended to read as follows:
26 1. A biennial report shall be filed by a reporting
27 entity with the secretary of state on or before March
28 31 of each odd-numbered year as required by rules
29 adopted by the secretary of state pursuant to chapter
30 17A. However, a reporting entity required to file a
31 biennial report pursuant to chapter 490, 490A, 496C,
32 497, 498, ~~490A,~~ 499, 501, 501A, or 504A shall file the
33 report required by this section in the same year as
34 required by that chapter. The reporting entity may
35 file the report required by this section together with
36 the biennial report required to be filed by one of the
37 other chapters referred to in this subsection. The
38 reports shall be filed on forms prepared and supplied
39 by the secretary of state. The secretary of state may
40 provide for combining its reporting forms with other
41 biennial reporting forms required to be used by the
42 reporting entities.
43 Sec. ___. 2005 Iowa Acts, House File 859, section
44 104, if enacted, is amended by striking the section
45 and inserting in lieu thereof the following:
46 SEC. 104. Section 15.385, subsection 4, paragraph
47 a, Code 2005, is amended to read as follows:
48 a. An eligible business may claim a tax credit
49 equal to a percentage of the new investment directly
50 related to new jobs created by the location or

1 expansion of an eligible business under the program.
2 The tax credit shall be allowed against taxes imposed
3 under chapter 422, division II, III, or V. If the
4 business is a partnership, S corporation, limited
5 liability company, cooperative organized under chapter
6 501 or 501A and filing as a partnership for federal
7 tax purposes, or estate or trust electing to have the
8 income taxed directly to the individual, an individual
9 may claim the tax credit allowed. The amount claimed
10 by the individual shall be based upon the pro rata
11 share of the individual's earnings of the partnership,
12 S corporation, limited liability company, cooperative
13 organized under chapter 501 or 501A and filing as a
14 partnership for federal tax purposes, or estate or
15 trust. The percentage shall be equal to the amount
16 provided in paragraph "d". Any tax credit in excess
17 of the tax liability for the tax year may be credited
18 to the tax liability for the following seven years or
19 until depleted, whichever occurs first.
20 Subject to prior approval by the department of
21 economic development, in consultation with the
22 department of revenue, an eligible business whose
23 project primarily involves the production of value-
24 added agricultural products or uses
25 biotechnology-related processes may elect to receive a
26 refund of all or a portion of an unused tax credit.
27 For purposes of this subsection, such an eligible
28 business includes a cooperative described in section
29 521 of the Internal Revenue Code which is not required
30 to file an Iowa corporate income tax return, and whose
31 project primarily involves the production of ethanol.
32 The refund may be applied against a tax liability
33 imposed under chapter 422, division II, III, or V. If
34 the business is a partnership, S corporation, limited
35 liability company, cooperative organized under chapter
36 501 or 501A and filing as a partnership for federal
37 tax purposes, or estate or trust electing to have the
38 income taxed directly to the individual, an individual
39 may claim the tax credit allowed. The amount claimed
40 by the individual shall be based upon the pro rata
41 share of the individual's earnings of the partnership,
42 S corporation, limited liability company, cooperative
43 organized under chapter 501 or 501A and filing as a
44 partnership for federal tax purposes, or estate or
45 trust."
46 ___. Page 48, by inserting after line 23 the
47 following:
48 "Sec. ___. Section 805.8C, subsection 6, as
49 amended by 2005 Iowa Acts, Senate File 169, section 9,
50 is amended to read as follows:

6. PSEUDOEPHEDRINE SALES VIOLATIONS. For violations of section 126.23A, subsection 1, by an employee of a retailer, or for violations of section 126.23A, subsection 2, paragraph "a", by a purchaser, the scheduled fine is as follows:

a. If the violation is a first offense, the scheduled fine is one hundred dollars.

b. If the violation is a second offense, the scheduled fine is two hundred fifty dollars.

c. If the violation is a third or subsequent offense, the scheduled fine is five hundred dollars."

___. Page 48, by inserting after line 23, the following:

"Sec. ___. 2005 Iowa Acts, House File 739, section 7, if enacted, is amended to read as follows:

SEC. 7. CONTINGENT EFFECTIVENESS. The sections of this Act ~~creating~~ amending Code chapter 280A or enacting new sections in Code chapter 280A take effect only if the general assembly appropriates funds for the fiscal year beginning July 1, 2005, in an amount sufficient to implement the provisions of Code chapter 280A, if enacted.

Sec. ___. 2005 Iowa Acts, House File 839, is amended by adding the following new section:

SEC. ___. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment of 2005 Iowa Acts, House File 882."

___. Page 48, by inserting after line 26 the following:

"DIVISION
STATE LIQUOR ACTIVITIES

Sec. ___. Section 123.53, subsection 3, Code 2005, is amended to read as follows:

3. The treasurer of state shall transfer into a special revenue account in the general fund of the state, a sum of money at least equal to seven percent of the gross amount of sales made by the division from the beer and liquor control fund on a monthly basis but not less than nine million dollars annually~~, and any amounts so~~. Of the amounts transferred, two million dollars, plus an additional amount determined by the general assembly, shall be ~~used by~~ appropriated to the substance abuse division of the Iowa department of public health to be used for substance abuse treatment and prevention programs ~~in an amount determined by the general assembly and any~~. Any amounts received in excess of the amounts appropriated to the substance abuse division of the Iowa department of public health shall be considered part of the general fund balance.

1 Sec. ___. ALCOHOLIC BEVERAGES DIVISION -- STATE
2 LIQUOR WAREHOUSE AND TRUCKING FUNCTIONS. The
3 department of administrative services shall issue a
4 request for proposals developed with the alcoholic
5 beverages division of the department of commerce or
6 otherwise utilize a competitive process not
7 inconsistent with the division's current charter
8 agency agreement to select a provider to perform the
9 state liquor warehouse and trucking functions. The
10 request for proposals or competitive process shall be
11 issued or commenced as soon as is reasonably possible
12 and a provider shall be selected no later than
13 December 31, 2005. The division may submit a bid in
14 response to a request for proposals issued or
15 competitive process conducted pursuant to this
16 section. If the division submits a bid, the division
17 shall include in the bid the cost of labor to perform
18 the contract which shall be calculated by using the
19 cost of hiring full-time equivalent positions to
20 perform the contract pursuant to state pay grade
21 classifications and benefits as outlined in the most
22 recent collective bargaining agreement applicable to
23 other employees of the division. Notwithstanding any
24 provision of chapter 22 to the contrary, the
25 division's bid and any documents the division uses in
26 developing its bid shall be considered a confidential
27 record until the department of administrative services
28 announces the results of the request for proposals or
29 competitive process.
30 Sec. ___. EFFECTIVE DATE. The section of this
31 division of this Act amending section 123.53 takes
32 effect July 1, 2006.
33 DIVISION
34 BOARD OF REGENTS
35 Sec. ___. Section 12B.10C, Code 2005, is amended
36 by adding the following new subsection:
37 NEW SUBSECTION. 10. The state board of regents
38 governed by chapter 262.
39 Sec. ___. Section 73A.1, subsection 2, Code 2005,
40 is amended to read as follows:
41 2. "Municipality" as used in this chapter means
42 township, school corporation, and state fair board~~,~~
43 ~~and state board of regents~~.
44 Sec. ___. Section 262.9, subsection 7, Code 2005,
45 is amended to read as follows:
46 7. ~~With the approval of the executive council,~~
47 ~~acquire~~ Acquire real estate for the proper uses of
48 ~~said~~ institutions under its control, and dispose of
49 real estate belonging to ~~said~~ the institutions when
50 not necessary for their purposes. ~~A~~ The disposal of

1 ~~such~~ real estate shall be made upon such terms,
2 conditions, and consideration as the board may
3 recommend ~~and subject to the approval of the executive~~
4 ~~council~~. If real estate subject to sale ~~hereunder~~ has
5 been purchased or acquired from appropriated funds,
6 the proceeds of such sale shall be deposited with the
7 treasurer of state and credited to the general fund of
8 the state. There is hereby appropriated from the
9 general fund of the state a sum equal to the proceeds
10 so deposited and credited to the general fund of the
11 state to the state board of regents, which~~, with the~~
12 ~~prior approval of the executive council,~~ may be used
13 to purchase other real estate and buildings~~,~~ and for
14 the construction and alteration of buildings and other
15 capital improvements. All transfers shall be by state
16 patent in the manner provided by law. The board is
17 also authorized to grant easements for rights-of-way
18 over, across, and under the surface of public lands
19 under its jurisdiction when in the board's judgment
20 such easements are desirable and will benefit the
21 state of Iowa.
22 Sec. ___. Section 262.9, subsection 15, unnumbered
23 paragraph 2, Code 2005, is amended by striking the
24 unnumbered paragraph.
25 Sec. ___. Section 262.10, unnumbered paragraph 1,
26 Code 2005, is amended to read as follows:
27 No sale or purchase of real estate shall be made
28 save upon the order of the board, made at a regular
29 meeting, or one called for that purpose, and then in
30 such manner and under such terms as the board may
31 prescribe ~~and only with the approval of the executive~~
32 ~~council~~. No member of the board or any of its
33 committees, offices or agencies nor any officer of any
34 institution, shall be directly or indirectly
35 interested in such purchase or sale.
36 Sec. ___. Section 262.33A, Code 2005, is amended
37 to read as follows:
38 262.33A FIRE AND ENVIRONMENTAL SAFETY -- REPORT --
39 EXPENDITURES.
40 It is the intent of the general assembly that each
41 institution of higher education under the control of
42 the state board of regents shall, in consultation with
43 the state fire marshal, identify and correct all
44 critical fire and environmental safety deficiencies.
45 ~~The state fire marshal shall report annually to the~~
46 ~~joint subcommittee on education appropriations. The~~
47 ~~report shall include, but is not limited to, the~~
48 ~~identified deficiencies in fire and environmental~~
49 ~~safety at the institutions, and plans for correction~~
50 ~~of the deficiencies and for compliance with this~~

1 ~~section.~~ Commencing July 1, 1993, each institution
2 under the control of the state board of regents shall
3 expend annually for fire safety and deferred
4 maintenance at least the amount budgeted for these
5 purposes for the fiscal year beginning July 1, 1992,
6 in addition to any moneys appropriated from the
7 general fund for these purposes in succeeding years.
8 Sec. ___. Section 262.34, Code 2005, is amended to
9 read as follows:
10 262.34 IMPROVEMENTS -- ADVERTISEMENT FOR BIDS --
11 DISCLOSURES -- PAYMENTS.
12 1. When the estimated cost of construction,
13 repairs, or improvement of buildings or grounds under
14 charge of the state board of regents exceeds ~~twenty-~~
15 ~~five~~ one hundred thousand dollars, the board shall
16 advertise for bids for the contemplated improvement or
17 construction and shall let the work to the lowest
18 responsible bidder. However, if in the judgment of
19 the board bids received are not acceptable, the board
20 may reject all bids and proceed with the construction,
21 repair, or improvement by a method as the board may
22 determine. All plans and specifications for repairs
23 or construction, together with bids on the plans or
24 specifications, shall be filed by the board and be
25 open for public inspection. All bids submitted under
26 this section shall be accompanied by a deposit of
27 money, a certified check, or a credit union certified
28 share draft in an amount as the board may prescribe.
29 2. A bidder awarded a contract shall disclose the
30 names of all subcontractors, who will work on the
31 project being bid, within forty-eight hours after the
32 award of the contract. If a subcontractor named by a
33 bidder awarded a contract is replaced, or if the cost
34 of work to be done by a subcontractor is reduced, the
35 bidder shall disclose the name of the new
36 subcontractor or the amount of the reduced cost.
37 3. Payments made by the board for the construction
38 of public improvements shall be made in accordance
39 with the provisions of chapter 573 except that:
40 a. Payments may be made without retention until
41 ninety-five percent of the contract amount has been
42 paid. The remaining five percent of the contract
43 amount shall be paid as provided in section 573.14,
44 except that:
45 (1) At any time after all or any part of the work
46 is substantially completed in accordance with
47 paragraph "c", the contractor may request the release
48 of all or part of the retainage owed. Such request
49 shall be accompanied by a waiver of claim rights under
50 the provisions of chapter 573 from any person, firm,

1 or corporation who has, under contract with the
2 principal contractor or with subcontractors performed
3 labor, or furnished materials, service, or
4 transportation in the construction of that portion of
5 the work for which release of the retainage is
6 requested.
7 (2) Upon receipt of the request, the board shall
8 release all or part of the unpaid funds. Retainage
9 that is approved as payable shall be paid at the time
10 of the next monthly payment or within thirty days,
11 whichever is sooner. If partial retainage is released
12 pursuant to a contractor's request, no retainage shall
13 be subsequently held based on that portion of the
14 work. If within thirty days of when payment becomes
15 due the board does not release the retainage due,
16 interest shall accrue on the retainage amount due as
17 provided in section 573.14 until that amount is paid.
18 (3) If at the time of the request for the
19 retainage there are remaining or incomplete minor
20 items, an amount equal to two hundred percent of the
21 value of each remaining or incomplete item, as
22 determined by the board's authorized contract
23 representative, may be withheld until such item or
24 items are completed.
25 (4) An itemization of the remaining or incomplete
26 items, or the reason that the request for release of
27 the retainage was denied, shall be provided to the
28 contractor in writing within thirty calendar days of
29 the receipt of the request for release of retainage.
30 b. For purposes of this section, "authorized
31 contract representative" means the architect or
32 engineer who is in charge of the project and chosen by
33 the board to represent its interests, or if there is
34 no architect or engineer, then such other contract
35 representative or officer as designated in the
36 contract documents as the party representing the
37 board's interest regarding administration and
38 oversight of the project.
39 c. For purposes of this section, "substantially
40 completed" means the first date on which any of the
41 following occurs:
42 (1) Completion of the project or when the work has
43 been substantially completed in general accordance
44 with the terms and provisions of the contract.
45 (2) The work or the portion designated is
46 sufficiently complete in accordance with the
47 requirements of the contract so the board can occupy
48 or utilize the work for its intended purpose.
49 (3) The project is certified as having been
50 substantially completed by either of the following:

1 (a) The architect or engineer authorized to make
2 such certification.
3 (b) The contracting authority representing the
4 board.
5 4. Each contractor or subcontractor shall withhold
6 retainage, if at all, in the same manner as retainage
7 is withheld from the contractor or subcontractor; and
8 each subcontractor shall pass through all retainage
9 payments to lower tier subcontractors in accordance
10 with the provisions of chapter 573.
11 Sec. ___. Section 262.57, unnumbered paragraph 1,
12 Code 2005, is amended to read as follows:
13 To pay all or any part of the cost of carrying out
14 any project at any institution the board is authorized
15 to borrow money and to issue and sell negotiable bonds
16 or notes and to refund and refinance bonds or notes
17 heretofore issued or as may be hereafter issued for
18 any project or for refunding purposes at a lower rate,
19 the same rate or a higher rate or rates of interest
20 and from time to time as often as the board shall find
21 it to be advisable and necessary so to do. Such bonds
22 or notes may be sold by said board at public sale in
23 the manner prescribed by chapter 75 but if the board
24 shall find it to be advantageous and in the public
25 interest to do so, such bonds or notes may be sold by
26 the board at private sale without published notice of
27 any kind and without regard to the requirements of
28 chapter 75 in such manner and upon such terms as may
29 be prescribed by the resolution authorizing the same~~,~~
30 ~~but such bonds or notes shall in any event be sold~~
31 ~~upon terms of not less than par plus accrued interest~~.
32 Bonds or notes issued to refund other bonds or notes
33 heretofore or hereafter issued by the board for
34 residence hall or dormitory purposes at any
35 institution, including dining or other facilities and
36 additions, or heretofore or hereafter issued for
37 refunding purposes, may either be sold in the manner
38 hereinbefore specified and the proceeds thereof
39 applied to the payment of the obligations being
40 refunded, or the refunding bonds or notes may be
41 exchanged for and in payment and discharge of the
42 obligations being refunded, and a finding by the board
43 in the resolution authorizing the issuance of such
44 refunding bonds or notes that the bonds or notes being
45 refunded were issued for a purpose specified in this
46 division and constitute binding obligations of the
47 board shall be conclusive and may be relied upon by
48 any holder of any refunding bond or note issued under
49 the provisions of this division. The refunding bonds
50 or notes may be sold or exchanged in installments at

1 different times or an entire issue or series may be
2 sold or exchanged at one time. Any issue or series of
3 refunding bonds or notes may be exchanged in part or
4 sold in parts in installments at different times or at
5 one time. The refunding bonds or notes may be sold or
6 exchanged at any time on, before, or after the
7 maturity of any of the outstanding notes, bonds or
8 other obligations to be refinanced thereby and may be
9 issued for the purpose of refunding a like or greater
10 principal amount of bonds or notes, except that the
11 principal amount of the refunding bonds or notes may
12 exceed the principal amount of the bonds or notes to
13 be refunded to the extent necessary to pay any premium
14 due on the call of the bonds or notes to be refunded
15 or to fund interest in arrears or about to become due.
16 Sec. ___. Section 262.78, subsection 6, Code 2005,
17 is amended by striking the subsection.
18 Sec. ___. Section 262A.5, unnumbered paragraph 1,
19 Code 2005, is amended to read as follows:
20 The board is authorized to borrow money under this
21 chapter, and the board may issue and sell negotiable
22 bonds to pay all or any part of the cost of carrying
23 out any project at any institution and may refund and
24 refinance bonds issued for any project or for
25 refunding purposes at the same rate or at a higher or
26 lower rate or rates of interest. Bonds issued under
27 the provisions of this chapter shall be sold by said
28 board at public sale on the basis of sealed proposals
29 received pursuant to a notice specifying the time and
30 place of sale and the amount of bonds to be sold which
31 shall be published at least once not less than seven
32 days prior to the date of sale in a newspaper
33 published in the state of Iowa and having a general
34 circulation in said state. The provisions of chapter
35 75 shall ~~not~~ apply to bonds issued under authority
36 contained in this chapter~~, but such bonds shall be~~
37 ~~sold upon terms of not less than par plus accrued~~
38 ~~interest~~ to the extent not in conflict with this
39 chapter. Bonds issued to refund other bonds issued
40 under the provisions of this chapter may either be
41 sold in the manner hereinbefore specified and the
42 proceeds thereof applied to the payment of the
43 obligations being refunded, or the refunding bonds may
44 be exchanged for and in payment and discharge of the
45 obligations being refunded. The refunding bonds may
46 be sold or exchanged in installments at different
47 times or an entire issue or series may be sold or
48 exchanged at one time. Any issue or series of
49 refunding bonds may be exchanged in part or sold in
50 parts in installments at different times or at one

1 time. The refunding bonds may be sold or exchanged at
2 any time on, before, or after the maturity of any of
3 the outstanding bonds or other obligations to be
4 refinanced thereby and may be issued for the purpose
5 of refunding a like or greater principal amount of
6 bonds, except that the principal amount of the
7 refunding bonds may exceed the principal amount of the
8 bonds to be refunded to the extent necessary to pay
9 any premium due on the call of the bonds to be
10 refunded or to fund interest in arrears or which is to
11 become due.
12 Sec. ___. Section 266.39F, subsection 2,
13 unnumbered paragraph 2, Code 2005, is amended to read
14 as follows:
15 The provisions of section 262.9, subsection 7, ~~and~~
16 ~~section 262.10,~~ shall not apply to the sale of any
17 portion of land to be sold in accordance with this
18 section or to the use of the proceeds from the sale of
19 the land.
20 Sec. ___. Section 573.12, subsection 1, unnumbered
21 paragraph 1, Code 2005, is amended to read as follows:
22 Payments made under contracts for the construction
23 of public improvements, unless provided otherwise by
24 law, shall be made on the basis of monthly estimates
25 of labor performed and material delivered, as
26 determined by the project architect or engineer. The
27 public corporation shall retain from each monthly
28 payment not more than five percent of that amount
29 which is determined to be due according to the
30 estimate of the architect or engineer. ~~However,~~
31 ~~institutions governed pursuant to chapter 262 may, on~~
32 ~~contracts where a bond is required under section~~
33 ~~573.2, make payments under this section without~~
34 ~~retention until ninety-five percent of the contract~~
35 ~~amount has been paid and the remaining five percent of~~
36 ~~the contract amount shall be paid as provided under~~
37 ~~section 573.14.~~
38 Sec. ___. Section 573.14, unnumbered paragraph 2,
39 Code 2005, is amended to read as follows:
40 The public corporation shall order payment of any
41 amount due the contractor to be made in accordance
42 with the terms of the contract. Except as provided in
43 section 573.12 for progress payments, failure to make
44 payment pursuant to this section, of any amount due
45 the contractor, within forty days, unless a greater
46 time period not to exceed fifty days is specified in
47 the contract documents, after the work under the
48 contract has been completed and if the work has been
49 accepted and all required materials, certifications,
50 and other documentations required to be submitted by

1 the contractor and specified by the contract have been
2 furnished the awarding public corporation by the
3 contractor, shall cause interest to accrue on the
4 amount unpaid to the benefit of the unpaid party.
5 Interest shall accrue during the period commencing the
6 thirty-first day following the completion of work and
7 satisfaction of the other requirements of this
8 paragraph and ending on the date of payment. The rate
9 of interest shall be determined by the period of time
10 during which interest accrues, and shall be the same
11 as the rate of interest that is in effect under
12 section 12C.6, as of the day interest begins to
13 accrue, for a deposit of public funds for a comparable
14 period of time. However, for institutions governed
15 pursuant to chapter 262, the rate of interest shall be
16 determined by the period of time during which interest
17 accrues, and shall be calculated as the prime rate
18 plus one percent per year as of the day interest
19 begins to accrue. This paragraph does not abridge any
20 of the rights set forth in section 573.16. Except as
21 provided in sections 573.12 and 573.16, interest shall
22 not accrue on funds retained by the public corporation
23 to satisfy the provisions of this section regarding
24 claims on file. This chapter does not apply if the
25 public corporation has entered into a contract with
26 the federal government or accepted a federal grant
27 which is governed by federal law or rules that are
28 contrary to the provisions of this chapter. For
29 purposes of this unnumbered paragraph, "prime rate"
30 means the prime rate charged by banks on short-term
31 business loans, as determined by the board of
32 governors of the federal reserve system and published
33 in the federal reserve bulletin.
34 Sec. ___. Sections 262.64A, 262.67, 262A.3,
35 262A.6A, 263A.11, 265.6, and 473.12, Code 2005, are
36 repealed.
37 DIVISION
38 ENTREPRENEURS WITH DISABILITIES
39 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
40 -- TRANSFER OF ADMINISTRATION. The department of
41 economic development shall transfer the administrative
42 duties of the entrepreneurs with disabilities program
43 to the Iowa finance authority. The authority shall
44 adopt rules pursuant to chapter 17A for purposes of
45 administering the program. Any contract entered into
46 under the program by the department of economic
47 development remains valid. The transfer of
48 administrative duties to the authority shall not
49 constitute grounds for recision or modification of a
50 contract under the program entered into with the

1 department.
2 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
3 -- APPROPRIATION. For the fiscal year beginning July
4 1, 2005, and ending June 30, 2006, there is
5 appropriated from the general fund of the state to the
6 Iowa finance authority two hundred thousand dollars
7 for purposes of the entrepreneurs with disabilities
8 program."
9 ___. Page 48, by inserting after line 26, the
10 following:
11 "DIVISION
12 WIND ENERGY PRODUCTION TAX CREDIT
13 Sec. ___. Section 476B.1, subsection 4, paragraph
14 c, Code 2005, is amended to read as follows:
15 c. Was originally placed in service on or after
16 July 1, ~~2004~~ 2005, but before July 1, ~~2007~~ 2008.
17 Sec. ___. Section 476B.3, Code 2005, is amended to
18 read as follows:
19 476B.3 CREDIT AMOUNT.
20 ~~1. Except as limited by subsection 2, the~~ The wind
21 energy production tax credit allowed under this
22 chapter equals the product of one cent multiplied by
23 the number of kilowatt-hours of qualified electricity
24 sold by the owner during the taxable year.
25 ~~2. a. The maximum amount of tax credit which a~~
26 ~~group of qualified facilities operating as one unit~~
27 ~~may receive for a taxable year equals the rate of~~
28 ~~credit times thirty-two percent of the total number of~~
29 ~~kilowatts of nameplate generating capacity.~~
30 ~~b. However, if for the previous taxable year the~~
31 ~~amount of the tax credit for the group of qualified~~
32 ~~facilities operating as one unit is less than the~~
33 ~~maximum amount available as provided in paragraph "a",~~
34 ~~the maximum amount for the next taxable year shall be~~
35 ~~increased by the amount of the previous year's unused~~
36 ~~maximum credit.~~
37 Sec. ___. Section 476B.4, subsection 1, paragraph
38 b, Code 2005, is amended by striking the paragraph.
39 Sec. ___. Section 476B.5, Code 2005, is amended by
40 striking the section and inserting in lieu thereof the
41 following:
42 476B.5 DETERMINATION OF ELIGIBILITY.
43 1. An owner may apply to the board for a written
44 determination regarding whether a facility is a
45 qualified facility by submitting to the board a
46 written application containing all of the following:
47 a. Information regarding the ownership of the
48 facility including the percentage of equity interest
49 held by each owner.
50 b. The nameplate generating capacity of the

1 facility.
2 c. Information regarding the facility's initial
3 placement in service.
4 d. Information regarding the type of facility.
5 e. A copy of an executed power purchase agreement
6 or other agreement to purchase electricity upon
7 completion of the project.
8 f. Any other information the board may require.
9 2. The board shall review the application and
10 supporting information and shall make a preliminary
11 determination regarding whether the facility is a
12 qualified facility. The board shall notify the
13 applicant of the approval or denial of the application
14 within thirty days of receipt of the application and
15 information required. If the board fails to notify
16 the applicant of the approval or denial within thirty
17 days, the application shall be deemed denied. An
18 applicant who receives a determination denying an
19 application may file an appeal with the board within
20 thirty days from the date of the denial pursuant to
21 the provisions of chapter 17A. In the absence of a
22 timely appeal, the preliminary determination shall be
23 final. If the application is incomplete, the board
24 may grant an extension of time for the provision of
25 additional information.
26 3. A facility that is not operational within
27 eighteen months after issuance of an approval for the
28 facility by the board shall cease to be a qualified
29 facility. A facility that is granted and thereafter
30 loses approval may reapply to the board for a new
31 determination.
32 4. The maximum amount of nameplate generating
33 capacity of all qualified facilities the board may
34 find eligible under this chapter shall not exceed four
35 hundred fifty megawatts of nameplate generating
36 capacity.
37 5. An owner shall not be an owner of more than two
38 qualified facilities.
39 Sec. ___. Section 476B.6, Code 2005, is amended by
40 striking the section and inserting in lieu thereof the
41 following:
42 476B.6 TAX CREDIT CERTIFICATE PROCEDURE.
43 1. a. To be eligible to receive the wind energy
44 production tax credit, the owner must first receive
45 approval of the board of supervisors of the county in
46 which the qualified facility is located. The
47 application for approval may be submitted prior to
48 commencement of the construction of the qualified
49 facility but shall be submitted no later than the
50 close of the owner's first taxable year for which the

1 credit is to be applied for. The application must
2 contain the owner's name and address, the address of
3 the qualified facility, and the dates of the owner's
4 first and last taxable years for which the credit will
5 be applied for. Within forty-five days of the receipt
6 of the application for approval, the board of
7 supervisors shall either approve or disapprove the
8 application. After the forty-five-day limit, the
9 application is deemed to be approved.
10 b. Upon approval of the application, the owner may
11 apply for the tax credit as provided in subsection 2.
12 In addition, approval of the application is acceptance
13 by the applicant for the assessment of the qualified
14 facility for property tax purposes for a period of
15 twelve years and approval by the board of supervisors
16 for the payment of the property taxes levied on the
17 qualified property to the state. For purposes of
18 property taxation, the qualified facility shall be
19 centrally assessed and shall be exempt from any
20 replacement tax under section 437A.6 for the period
21 during which the facility is subject to property
22 taxation. The property taxes to be paid to the state
23 are those property taxes which make up the
24 consolidated tax levied on the qualified facility and
25 which are due and payable in the twelve-year period
26 beginning with the first fiscal year beginning on or
27 after the end of the owner's first taxable year for
28 which the credit is applied for. Upon approval of the
29 application, the board of supervisors shall notify the
30 county treasurer to state on the tax statement which
31 lists the taxes on the qualified facility that the
32 amount of the property taxes shall be paid to the
33 department. Payment of the designated property taxes
34 to the department shall be in the same manner as
35 required for the payment of regular property taxes and
36 failure to pay designated property taxes to the
37 department shall be treated the same as failure to pay
38 property taxes to the county treasurer.
39 c. Once the owner of the qualified facility
40 receives approval under paragraph "a", subsequent
41 approval under paragraph "a" is not required for the
42 same qualified facility for subsequent taxable years.
43 2. An owner of a qualified facility may apply to
44 the board for the wind energy production tax credit by
45 submitting to the board all of the following:
46 a. A completed application in a form prescribed by
47 the board.
48 b. A copy of the determination granting approval
49 of the facility as a qualified facility by the board.
50 c. A copy of a signed power purchase agreement or

1 other agreement to purchase electricity.
2 d. Sufficient documentation that the electricity
3 has been generated by the qualified facility and sold
4 to a purchaser.
5 e. Any other information the board deems
6 necessary.
7 3. The board shall notify the department of the
8 amount of kilowatt-hours generated and purchased from
9 a qualified facility. The department shall calculate
10 the amount of the tax credit for which the applicant
11 is eligible and shall issue the tax credit certificate
12 for that amount or notify the applicant in writing of
13 its refusal to do so. An applicant whose application
14 is denied may file an appeal with the department
15 within sixty days from the date of the denial pursuant
16 to the provisions of chapter 17A.
17 4. Each tax credit certificate shall contain the
18 owner's name, address, and tax identification number,
19 the amount of tax credits, the first taxable year the
20 certificate may be used, the type of tax to which the
21 tax credits shall be applied, and any other
22 information required by the department. The tax
23 credit certificate shall only list one type of tax to
24 which the amount of the tax credit may be applied.
25 Once issued by the department, the tax credit
26 certificate shall not be terminated or rescinded.
27 5. If the tax credit application is filed by a
28 partnership, limited liability company, S corporation,
29 estate, trust, or other reporting entity all of the
30 income of which is taxed directly to its equity
31 holders or beneficiaries, for the taxes imposed under
32 chapter 422, division II or III, the tax credit
33 certificate shall be issued directly to equity holders
34 or beneficiaries of the applicant in proportion to
35 their pro rata share of the income of such entity.
36 The applicant shall, in the application made under
37 this section, identify its equity holders or
38 beneficiaries, and the percentage of such entity's
39 income that is allocable to each equity holder or
40 beneficiary. If the tax credit application is filed
41 by a partnership, limited liability company, S
42 corporation, estate, trust, or other reporting entity,
43 all of whose income is taxed directly to its equity
44 holders or beneficiaries for the taxes imposed under
45 chapter 422, division V, or under chapter 432, the tax
46 credit certificate shall be issued directly to the
47 partnership, limited liability company, S corporation,
48 estate, trust, or other reporting entity.
49 6. The department shall not issue a tax credit
50 certificate if the facility approved by the board as a

1 qualified facility is not operational within eighteen
2 months after the approval is issued.
3 7. Once a tax credit certificate is issued
4 pursuant to this section, the tax credit may only be
5 claimed against the type of tax reflected on the
6 certificate.
7 8. A tax credit certificate shall not be used or
8 attached to a return filed for a taxable year
9 beginning prior to July 1, 2006.
10 Sec. ___. Section 476B.7, unnumbered paragraph 1,
11 Code 2005, is amended to read as follows:
12 Wind energy production tax credit certificates
13 issued under this chapter may be transferred to any
14 person or entity. Within thirty days of transfer, the
15 transferee must submit the transferred tax credit
16 certificate to the ~~board~~ department along with a
17 statement containing the transferee's name, tax
18 identification number, and address, and the
19 denomination that each replacement tax credit
20 certificate is to carry and any other information
21 required by the department. Within thirty days of
22 receiving the transferred tax credit certificate and
23 the transferee's statement, the ~~board~~ department shall
24 issue one or more replacement tax credit certificates
25 to the transferee. Each replacement certificate must
26 contain the information required under section 476B.6
27 and must have the same effective taxable year and the
28 same expiration date that appeared in the transferred
29 tax credit certificate. Tax credit certificate
30 amounts of less than the minimum amount established by
31 rule of the board shall not be transferable. A tax
32 credit shall not be claimed by a transferee under this
33 chapter until a replacement tax credit certificate
34 identifying the transferee as the proper holder has
35 been issued.
36 Sec. ___. Section 476B.8, Code 2005, is amended to
37 read as follows:
38 476B.8 USE OF TAX CREDIT CERTIFICATES.
39 To claim a wind energy production tax credit under
40 this chapter, a taxpayer must attach one or more tax
41 credit certificates to the taxpayer's tax return. A
42 tax credit certificate shall not be used or attached
43 to a return filed for a taxable year beginning prior
44 to July 1, ~~2005~~ 2006. The tax credit certificate or
45 certificates attached to the taxpayer's tax return
46 shall be issued in the taxpayer's name, expire on or
47 after the last day of the taxable year for which the
48 taxpayer is claiming the tax credit, and show a tax
49 credit amount equal to or greater than the tax credit
50 claimed on the taxpayer's tax return. Any tax credit

1 in excess of the taxpayer's tax liability for the
2 taxable year may be credited to the taxpayer's tax
3 liability for the following seven taxable years or
4 until depleted, whichever is the earlier.
5 Sec. ___. Section 476B.9, Code 2005, is amended to
6 read as follows:
7 476B.9 REGISTRATION OF TAX CREDIT CERTIFICATES.
8 The ~~board shall, in conjunction with the~~
9 department~~,~~ shall develop a system for the
10 registration of the wind energy production tax credit
11 certificates issued or transferred under this chapter
12 and a system that permits verification that any tax
13 credit claimed on a tax return is valid and that
14 transfers of the tax credit certificates are made in
15 accordance with the requirements of this chapter. The
16 tax credit certificates issued under this chapter
17 shall not be classified as a security pursuant to
18 chapter 502.
19 Sec. ___. NEW SECTION. 476B.10 RULES.
20 The department and the board may adopt rules
21 pursuant to chapter 17A for the administration and
22 enforcement of this chapter."
23 ___. Page 48, by inserting after line 26, the
24 following:
25 "DIVISION
26 PROVISIONS RELATING TO THE PRACTICE OF PHARMACY
27 Sec. ___. Section 155A.3, subsection 11, Code
28 2005, is amended to read as follows:
29 11. "Dispense" means to deliver a prescription
30 drug, device, or controlled substance to an ultimate
31 user or research subject by or pursuant to the lawful
32 prescription drug order or medication order of a
33 practitioner, including the prescribing,
34 administering, packaging, labeling, or compounding
35 necessary to prepare the substance for that delivery.
36 Sec. ___. Section 155A.3, Code 2005, is amended by
37 adding the following new subsection:
38 NEW SUBSECTION. 22A. "Logistics provider" means
39 an entity that provides or coordinates warehousing,
40 distribution, or other services on behalf of a
41 manufacturer or other owner of a drug, but does not
42 take title to the drug or have general responsibility
43 to direct its sale or other disposition.
44 Sec. ___. Section 155A.3, Code 2005, is amended by
45 adding the following new subsection:
46 NEW SUBSECTION. 23A. "Pedigree" means a recording
47 of each distribution of any given drug or device, from
48 the sale by the manufacturer through acquisition and
49 sale by any wholesaler, pursuant to rules adopted by
50 the board.

1 Sec. ___. Section 155A.3, subsection 33, paragraph
2 b, Code 2005, is amended to read as follows:
3 b. A drug or device that under federal law is
4 required, prior to being dispensed or delivered, to be
5 labeled with ~~either~~ one of the following statements:
6 (1) Caution: Federal law prohibits dispensing
7 without a prescription.
8 (2) Caution: Federal law restricts this drug to
9 use by or on the order of a licensed veterinarian.
10 (3) Caution: Federal law restricts this device to
11 sale by, or on the order of, a physician.
12 (4) Rx only.
13 Sec. ___. Section 155A.3, subsection 35, Code
14 2005, is amended to read as follows:
15 35. "Proprietary medicine" or "over-the-counter
16 medicine" means a nonnarcotic drug or device that may
17 be sold without a prescription and that is labeled and
18 packaged in compliance with applicable state or
19 federal law.
20 Sec. ___. Section 155A.3, subsection 38, Code
21 2005, is amended to read as follows:
22 38. "Wholesaler" means a person operating or
23 maintaining, either within or outside this state, a
24 manufacturing plant, wholesale distribution center,
25 wholesale business, or any other business in which
26 prescription drugs or devices, medicinal chemicals,
27 medicines, or poisons are sold, manufactured,
28 compounded, dispensed, stocked, exposed, distributed
29 from, or offered for sale at wholesale in this state.
30 "Wholesaler" does not include those wholesalers who
31 sell only proprietary or over-the-counter medicines.
32 "Wholesaler" also does not include a commercial
33 carrier that temporarily stores prescription drugs or
34 devices, medicinal chemicals, medicines, or poisons
35 while in transit.
36 Sec. ___. Section 155A.4, subsection 2, paragraph
37 a, Code 2005, is amended to read as follows:
38 a. A ~~manufacturer or~~ wholesaler to distribute
39 prescription drugs or devices as provided by state or
40 federal law.
41 Sec. ___. Section 155A.13, subsection 6,
42 unnumbered paragraph 1, Code 2005, is amended to read
43 as follows:
44 To qualify for a pharmacy license, the applicant
45 shall submit to the board a license fee as determined
46 by the board and a completed application on a form
47 prescribed by the board ~~that shall include the~~
48 ~~following information and~~. The application shall
49 include the following and such other information as
50 required by rules of the board and shall be given

1 under oath:
2 Sec. ___. Section 155A.17, subsection 2, Code
3 2005, is amended to read as follows:
4 2. The board shall establish standards for drug
5 wholesaler licensure and may define specific types of
6 wholesaler licenses. The board may deny, suspend, or
7 revoke a drug wholesale license for failure to meet
8 the applicable standards or for a violation of the
9 laws of this state, another state, or the United
10 States relating to prescription drugs, devices, or
11 controlled substances, or for a violation of this
12 chapter, chapter 124, 124A, 124B, 126, or 205, or a
13 rule of the board.
14 Sec. ___. Section 155A.17, subsection 3, Code
15 2005, is amended to read as follows:
16 3. The board shall adopt rules pursuant to chapter
17 17A on matters pertaining to the issuance of a
18 wholesale drug license. The rules shall provide for
19 conditions of licensure, compliance standards,
20 licensure fees, disciplinary action, and other
21 relevant matters. Additionally, the rules shall
22 establish provisions or exceptions for pharmacies,
23 chain pharmacy distribution centers, logistics
24 providers, and other types of wholesalers relating to
25 pedigree requirements, drug or device returns, and
26 other related matters, so as not to prevent or
27 interfere with usual, customary, and necessary
28 business activities.
29 Sec. ___. Section 155A.19, subsection 1, paragraph
30 f, Code 2005, is amended by striking the paragraph and
31 inserting in lieu thereof the following:
32 f. Change of legal name or doing-business-as name.
33 Sec. ___. Section 155A.19, Code 2005, is amended
34 by adding the following new subsection:
35 NEW SUBSECTION. 3. A wholesaler shall report in
36 writing to the board, pursuant to its rules, the
37 following:
38 a. Permanent closing or discontinuation of
39 wholesale distributions into this state.
40 b. Change of ownership.
41 c. Change of location.
42 d. Change of the wholesaler's responsible
43 individual.
44 e. Change of legal name or doing-business-as name.
45 f. Theft or significant loss of any controlled
46 substance on discovery of the theft or loss.
47 g. Disasters, accidents, and emergencies that may
48 affect the strength, purity, or labeling of drugs,
49 medications, devices, or other materials used in the
50 diagnosis or the treatment of injury, illness, and

1 disease.
2 h. Other information or activities as required by
3 rule.
4 Sec. ___. Section 155A.20, subsection 1, Code
5 2005, is amended to read as follows:
6 1. A person, other than a pharmacy or wholesaler
7 licensed under this chapter, shall not display in or
8 on any store, internet site, or place of business, nor
9 use in any advertising or promotional literature,
10 communication, or representation, the word or words:
11 "apothecary", "drug", "drug store", or "pharmacy",
12 either in English or any other language, any other
13 word or combination of words of the same or similar
14 meaning, or any graphic representation in a manner
15 that would mislead the public ~~unless it is a pharmacy~~
16 ~~or drug wholesaler licensed under this chapter~~.
17 Sec. ___. Section 155A.21, Code 2005, is amended
18 to read as follows:
19 155A.21 UNLAWFUL POSSESSION OF PRESCRIPTION DRUG
20 OR DEVICE -- PENALTY.
21 1. A person found in possession of a drug or
22 device limited to dispensation by prescription, unless
23 the drug or device was so lawfully dispensed, commits
24 a serious misdemeanor.
25 2. Subsection 1 does not apply to a licensed
26 pharmacy, licensed wholesaler, physician,
27 veterinarian, dentist, podiatric physician,
28 therapeutically certified optometrist, advanced
29 registered nurse practitioner, physician assistant, a
30 nurse acting under the direction of a physician, or
31 the board of pharmacy examiners, its officers, agents,
32 inspectors, and representatives, nor to a common
33 carrier, manufacturer's representative, or messenger
34 when transporting the drug or device in the same
35 unbroken package in which the drug or device was
36 delivered to that person for transportation.
37 Sec. ___. Section 155A.23, Code 2005, is amended
38 to read as follows:
39 155A.23 PROHIBITED ACTS.
40 A person shall not perform or cause the performance
41 of or aid and abet any of the following acts:
42 1. ~~Obtain or attempt~~ Obtaining or attempting to
43 obtain a prescription drug or device or ~~procure or~~
44 ~~attempt~~ procuring or attempting to procure the
45 administration of a prescription drug or device by:
46 a. ~~Fraud~~ Engaging in fraud, deceit,
47 misrepresentation, or subterfuge.
48 b. ~~Forgery or alteration of~~ Forging or altering a
49 written, electronic, or facsimile prescription or ~~of~~
50 any written, electronic, or facsimile order.

c. ~~Concealment of~~ Concealing a material fact.

d. ~~Use of~~ Using a false name or ~~the~~ giving ~~of~~ a false address.

2. Willfully ~~make~~ making a false statement in any prescription, report, or record required by this chapter.

3. For the purpose of obtaining a prescription drug or device, falsely ~~assume~~ assuming the title of or ~~claim~~ claiming to be a manufacturer, wholesaler, pharmacist, pharmacy owner, physician, dentist, podiatric physician, veterinarian, or other authorized person.

4. ~~Make or utter~~ Making or uttering any false or forged oral, written, electronic, or facsimile prescription or oral, written, electronic, or facsimile order.

5. ~~Affix any false or forged label to a package or receptacle containing prescription drugs~~ Forging, counterfeiting, simulating, or falsely representing any drug or device without the authority of the manufacturer, or using any mark, stamp, tag, label, or other identification device without the authorization of the manufacturer.

6. Manufacturing, repackaging, selling, delivering, or holding or offering for sale any drug or device that is adulterated, misbranded, counterfeit, suspected of being counterfeit, or that has otherwise been rendered unfit for distribution.

7. Adulterating, misbranding, or counterfeiting any drug or device.

8. Receiving any drug or device that is adulterated, misbranded, stolen, obtained by fraud or deceit, counterfeit, or suspected of being counterfeit, and delivering or proffering delivery of such drug or device for pay or otherwise.

9. Adulterating, mutilating, destroying, obliterating, or removing the whole or any part of the labeling of a drug or device or committing any other act with respect to a drug or device that results in the drug or device being misbranded.

10. Purchasing or receiving a drug or device from a person who is not licensed to distribute the drug or device to that purchaser or recipient.

11. Selling or transferring a drug or device to a person who is not authorized under the law of the jurisdiction in which the person receives the drug or device to purchase or possess the drug or device from the person selling or transferring the drug or device.

12. Failing to maintain or provide records as required by this chapter, chapter 124, or rules of the

1 board.
2 13. Providing the board or any of its
3 representatives or any state or federal official with
4 false or fraudulent records or making false or
5 fraudulent statements regarding any matter within the
6 scope of this chapter, chapter 124, or rules of the
7 board.
8 14. Distributing at wholesale any drug or device
9 that meets any of the following conditions:
10 a. The drug or device was purchased by a public or
11 private hospital or other health care entity.
12 b. The drug or device was donated or supplied at a
13 reduced price to a charitable organization.
14 c. The drug or device was purchased from a person
15 not licensed to distribute the drug or device.
16 d. The drug or device was stolen or obtained by
17 fraud or deceit.
18 15. Failing to obtain a license or operating
19 without a valid license when a license is required
20 pursuant to this chapter or chapter 147.
21 16. Engaging in misrepresentation or fraud in the
22 distribution of a drug or device.
23 17. Distributing a drug or device to a patient
24 without a prescription drug order or medication order
25 from a practitioner licensed by law to use or
26 prescribe the drug or device.
27 18. Distributing a drug or device that was
28 previously dispensed by a pharmacy or distributed by a
29 practitioner except as provided by rules of the board.
30 19. Failing to report any prohibited act.
31 Information communicated to a physician in an
32 unlawful effort to procure a prescription drug or
33 device or to procure the administration of a
34 prescription drug shall not be deemed a privileged
35 communication.
36 Subsections 6 and 7 shall not apply to the
37 wholesale distribution by a manufacturer of a
38 prescription drug or device that has been delivered
39 into commerce pursuant to an application approved by
40 the federal food and drug administration.
41 Sec. ___. Section 155A.24, Code 2005, is amended
42 to read as follows:
43 155A.24 PENALTIES.
44 1. ~~A~~ Except as otherwise provided in this section,
45 a person who violates a provision of section 155A.23
46 or who sells or offers for sale, gives away, or
47 administers to another person any prescription drug or
48 device in violation of this chapter commits a public
49 offense and shall be punished as follows:
50 a. If the prescription drug is a controlled

1 substance, the person shall be punished pursuant to
2 ~~section 124.401, subsection 1, and section 124.411~~
3 chapter 124, division IV.
4 b. If the prescription drug is not a controlled
5 substance, the person, upon conviction of a first
6 offense, is guilty of a serious misdemeanor. For a
7 second offense, or if in case of a first offense the
8 offender previously has been convicted of any
9 violation of the laws of the United States or of any
10 state, territory, or district thereof relating to
11 prescription drugs or devices, the offender is guilty
12 of an aggravated misdemeanor. For a third or
13 subsequent offense or if in the case of a second
14 offense the offender previously has been convicted two
15 or more times in the aggregate of any violation of the
16 laws of the United States or of any state, territory,
17 or district thereof relating to prescription drugs or
18 devices, the offender is guilty of a class "D" felony.
19 2. A person who violates any provision of this
20 chapter by selling, giving away, or administering any
21 prescription drug or device to a minor is guilty of a
22 class "C" felony.
23 3. A wholesaler who, with intent to defraud or
24 deceive, fails to deliver to another person, when
25 required by rules of the board, complete and accurate
26 pedigree concerning a drug prior to transferring the
27 drug to another person is guilty of a class "C"
28 felony.
29 4. A wholesaler who, with intent to defraud or
30 deceive, fails to acquire, when required by rules of
31 the board, complete and accurate pedigree concerning a
32 drug prior to obtaining the drug from another person
33 is guilty of a class "C" felony.
34 5. A wholesaler who knowingly destroys, alters,
35 conceals, or fails to maintain, as required by rules
36 of the board, complete and accurate pedigree
37 concerning any drug in the person's possession is
38 guilty of a class "C" felony.
39 6. A wholesaler who is in possession of pedigree
40 documents required by rules of the board, and who
41 knowingly fails to authenticate the matters contained
42 in the documents as required, and who nevertheless
43 distributes or attempts to further distribute drugs is
44 guilty of a class "C" felony.
45 7. A wholesaler who, with intent to defraud or
46 deceive, falsely swears or certifies that the person
47 has authenticated any documents related to the
48 wholesale distribution of drugs or devices is guilty
49 of a class "C" felony.
50 8. A wholesaler who knowingly forges,

1 counterfeits, or falsely creates any pedigree, who
2 falsely represents any factual matter contained in any
3 pedigree, or who knowingly omits to record material
4 information required to be recorded in a pedigree is
5 guilty of a class "C" felony.
6 9. A wholesaler who knowingly purchases or
7 receives drugs or devices from a person not authorized
8 to distribute drugs or devices in wholesale
9 distribution is guilty of a class "C" felony.
10 10. A wholesaler who knowingly sells, barters,
11 brokers, or transfers a drug or device to a person not
12 authorized to purchase the drug or device under the
13 jurisdiction in which the person receives the drug or
14 device in a wholesale distribution is guilty of a
15 class "C" felony.
16 11. A person who knowingly manufacturers, sells,
17 or delivers, or who possesses with intent to sell or
18 deliver, a counterfeit, misbranded, or adulterated
19 drug or device is guilty of the following:
20 a. If the person manufactures or produces a
21 counterfeit, misbranded, or adulterated drug or
22 device; or if the quantity of a counterfeit,
23 misbranded, or adulterated drug or device being sold,
24 delivered, or possessed with intent to sell or deliver
25 exceeds one thousand units or dosages; or if the
26 violation is a third or subsequent violation of this
27 subsection, the person is guilty of a class "C"
28 felony.
29 b. If the quantity of a counterfeit, misbranded,
30 or adulterated drug or device being sold, delivered,
31 or possessed with intent to sell or deliver exceeds
32 one hundred units or dosages but does not exceed one
33 thousand units or dosages; or if the violation is a
34 second or subsequent violation of this subsection, the
35 person is guilty of a class "D" felony.
36 c. All other violations of this subsection shall
37 constitute an aggravated misdemeanor.
38 12. A person who knowingly forges, counterfeits,
39 or falsely creates any label for a drug or device or
40 who falsely represents any factual matter contained on
41 any label of a drug or device is guilty of a class "C"
42 felony.
43 13. A person who knowingly possesses, purchases,
44 or brings into the state a counterfeit, misbranded, or
45 adulterated drug or device is guilty of the following:
46 a. If the quantity of a counterfeit, misbranded,
47 or adulterated drug or device being possessed,
48 purchased, or brought into the state exceeds one
49 hundred units or dosages; or if the violation is a
50 second or subsequent violation of this subsection, the

1 person is guilty of a class "D" felony.
2 b. All other violations of this subsection shall
3 constitute an aggravated misdemeanor.
4 14. This section does not prevent a licensed
5 practitioner of medicine, dentistry, podiatry,
6 nursing, veterinary medicine, optometry, or pharmacy
7 from acts necessary in the ethical and legal
8 performance of the practitioner's profession.
9 15. Subsections 1 and 2 shall not apply to a
10 parent or legal guardian administering, in good faith,
11 a prescription drug or device to a child of the parent
12 or a child for whom the individual is designated a
13 legal guardian.
14 Sec. ___. NEW SECTION. 155A.40 CRIMINAL HISTORY
15 RECORD CHECKS.
16 1. The board may request and obtain,
17 notwithstanding section 692.2, subsection 5, criminal
18 history data for any applicant for an initial or
19 renewal license or registration issued pursuant to
20 this chapter or chapter 147, any applicant for
21 reinstatement of a license or registration issued
22 pursuant to this chapter or chapter 147, or any
23 licensee or registrant who is being monitored as a
24 result of a board order or agreement resolving an
25 administrative disciplinary action, for the purpose of
26 evaluating the applicant's, licensee's, or
27 registrant's eligibility for licensure, registration,
28 or suitability for continued practice of the
29 profession. Criminal history data may be requested
30 for all owners, managers, and principal employees of a
31 pharmacy or drug wholesaler licensed pursuant to this
32 chapter. The board shall adopt rules pursuant to
33 chapter 17A to implement this section. The board
34 shall inform the applicant, licensee, or registrant of
35 the criminal history requirement and obtain a signed
36 waiver from the applicant, licensee, or registrant
37 prior to submitting a criminal history data request.
38 2. A request for criminal history data shall be
39 submitted to the department of public safety, division
40 of criminal investigation and bureau of
41 identification, pursuant to section 692.2, subsection
42 1. The board may also require such applicants,
43 licensees, and registrants to provide a full set of
44 fingerprints, in a form and manner prescribed by the
45 board. Such fingerprints may be submitted to the
46 federal bureau of investigation through the state
47 criminal history repository for a national criminal
48 history check. The board may authorize alternate
49 methods or sources for obtaining criminal history
50 record information. The board may, in addition to any

1 other fees, charge and collect such amounts as may be
2 incurred by the board, the department of public
3 safety, or the federal bureau of investigation in
4 obtaining criminal history information. Amounts
5 collected shall be considered repayment receipts as
6 defined in section 8.2.
7 3. Criminal history information relating to an
8 applicant, licensee, or registrant obtained by the
9 board pursuant to this section is confidential. The
10 board may, however, use such information in a license
11 or registration denial proceeding. In a disciplinary
12 proceeding, such information shall constitute
13 investigative information under section 272C.6,
14 subsection 4, and may be used only for purposes
15 consistent with that section.
16 4. This section shall not apply to a manufacturer
17 of a prescription drug or device that has been
18 delivered into commerce pursuant to an application
19 approved by the federal food and drug administration.
20 Sec. ___. NEW SECTION. 155A.41 CONTINUOUS
21 QUALITY IMPROVEMENT PROGRAM.
22 1. Each licensed pharmacy shall implement or
23 participate in a continuous quality improvement
24 program to review pharmacy procedures in order to
25 identify methods for addressing pharmacy medication
26 errors and for improving patient use of medications
27 and patient care services. Under the program, each
28 pharmacy shall assess its practices and identify areas
29 for quality improvement.
30 2. The board shall adopt rules for the
31 administration of a continuous quality improvement
32 program. The rules shall address all of the
33 following:
34 a. Program requirements and procedures.
35 b. Program record and reporting requirements.
36 c. Any other provisions necessary for the
37 administration of a program."
38 ___. Page 48, by inserting after line 26, the
39 following:
40 "DIVISION
41 NEW RESIDENTIAL CONSTRUCTION DEFECT CASES
42 Sec. ___. NEW SECTION. 657B.1 DEFINITIONS.
43 For the purposes of this chapter, the following
44 definitions shall apply:
45 1. "Builder" means a builder, developer, or
46 original seller of a new residential unit that is sold
47 on or after July 1, 2005.
48 2. "Claimant" includes an individual owner of a
49 single-family home, an individual unit owner of an
50 attached dwelling, and, in the case of a common

1 interest development, an association, but does not
2 include any person or entity not in privity of
3 contract with a builder.
4 Sec. ___. NEW SECTION. 657B.2 NOTICE OF CLAIM.
5 1. Prior to filing an action for recovery of
6 property damages arising out of, or related to
7 deficiencies in, the residential construction, design,
8 specifications, survey, plan, supervision, testing, or
9 observation of construction against a builder, the
10 claimant shall provide written notice by certified
11 mail, overnight mail, or personal delivery to the
12 builder that the construction, design, specifications,
13 survey, plan, supervision, testing, or observation of
14 construction of the claimant's residence is deficient
15 or violates the applicable housing code or city
16 ordinance. The notice shall state the claimant's
17 name, address, and contact information, shall state
18 that the claimant alleges a violation against the
19 builder, and shall describe the nature of the claim in
20 sufficient detail in order to determine the nature and
21 location of the alleged violation. The document shall
22 have the same force and effect as a notice of
23 commencement of a lawsuit.
24 2. The notice requirements of this section do not
25 preclude a claimant from seeking redress through a
26 customer service procedure set forth in a contract,
27 warranty, or other document generated by the builder.
28 Sec. ___. NEW SECTION. 657B.3 BUILDER'S RECEIPT
29 OF CLAIM -- ACKNOWLEDGMENT.
30 Within fourteen days of receipt of a claimant's
31 notice of claim, the builder shall provide a written
32 acknowledgment of receipt of the claim.
33 Sec. ___. NEW SECTION. 657B.4 REPAIRS.
34 Within fourteen days of the builder's
35 acknowledgment of receipt of a claimant's notice of
36 claim, the builder may offer in writing to repair a
37 deficiency, which shall include all of the following:
38 1. An offer to compensate the claimant for
39 property damages recoverable at law.
40 2. A detailed statement identifying the particular
41 deficiency to be repaired, an explanation of the
42 nature, scope, and location of the repair needed, and
43 the estimated completion date of the repair, which
44 shall occur within a reasonable period of time.
45 Sec. ___. NEW SECTION. 657B.5 WHEN ACTION FOR
46 DAMAGES ALLOWED.
47 A claimant may file an action seeking recovery of
48 damages against the builder under the following
49 circumstances:
50 1. If the builder fails to make an offer to

1 repair, performs an inadequate repair, or does not
2 complete a repair within a reasonable period of time.
3 2. If the builder fails to strictly comply with
4 the requirements of this chapter.
5 Sec. ___. NEW SECTION. 657B.6 STATUTE OF
6 LIMITATIONS.
7 The provision of a written notice under section
8 657B.2 tolls any applicable statute of limitations
9 from the date of the provision of the notice through
10 the estimated completion date of the repair pursuant
11 to section 657B.4.
12 Sec. ___. NEW SECTION. 657B.7 NOTICE OF
13 ALTERNATIVE DISPUTE RESOLUTION PROCESS.
14 Prior to commencing construction of a residential
15 unit, the builder shall provide a written notice of
16 the alternative dispute resolution process contained
17 in this chapter to the claimant who shall acknowledge
18 in writing receipt of the notice."
19 ___. Title page, line 1, by inserting after the
20 word "Act" the following: "relating to state and
21 local finances by providing for tax exemptions,
22 credits, tax credit transfers, and other tax-related
23 matters and by".
24 ___. Title page, line 2, by inserting after the
25 word "fees," the following: "providing for wind
26 energy production tax credits,".
27 ___. Title page, line 2, by inserting before the
28 word "properly" the following: "remedies and other".
29 ___. Title page, line 2, by inserting after the
30 word "matters" the following: "and penalties"."
31 11. By renumbering, relettering, or redesignating
32 and correcting internal references as necessary.

**By** DIX of Butler
KUHN of Floyd

**H-1711** FILED MAY 20, 2005
ADOPTED

## HOUSE FILE 882

**H-1712**

1 Amend the amendment, H-1711, to the Senate
2 amendment, H-1703, to House File 882, as amended,
3 passed, and reprinted by the House, as follows:
4 1. Page 1, line 21, by inserting after the word
5 "management" the following: "after consultation with
6 the legislative services agency".
7 2. Page 1, by striking lines 26 through 29 and
8 inserting the following: "and shall be prioritized by
9 program or the results to be achieved. The estimates
10 shall be accompanied by performance measures for
11 evaluating the effectiveness of the programs or
12 results."

**By** DIX of Butler

**H-1712** FILED MAY 20, 2005
ADOPTED

## HOUSE FILE 882

**H-1713**

1 Amend the amendment, H-1711, to the Senate
2 amendment, H-1703, to House File 882, as amended,
3 passed, and reprinted by the House, as follows:
4 1. Page 14, by striking lines 21 through 46 and
5 inserting the following:
6 "Sec. ___. Section 692A.13, subsection 5, as
7 amended by 2005 Iowa Acts, House File 619, if enacted,
8 is amended to read as follows:
9 5. Relevant information provided to the general
10 public may include the offender's name, address, a
11 photograph, ~~the results of any risk assessment,~~
12 locations frequented by the offender, relevant
13 criminal history information from the registry, and
14 any other relevant information. Relevant information
15 provided to the public shall not include the identity
16 of any victim. For purposes of inclusion in the sex
17 offender registry's web page or dissemination to the
18 general public, a conviction for incest shall be
19 disclosed as either a violation of section 709.4 or
20 709.8."
21 2. Page 14, by inserting after line 48 the
22 following:
23 "Sec. ___. Section 692A.13A, if enacted by 2005
24 Iowa Acts, House File 619, is repealed."

**By** T. TAYLOR of Linn

**H-1713** FILED MAY 20, 2005
LOST

## HOUSE FILE 882

**H-1714**

1 Amend the amendment, H-1711, to the Senate
2 amendment, H-1703, to House File 882, as amended,
3 passed, and reprinted by the House, as follows:
4 1. By striking page 45, line 38, through page 47,
5 line 18.
6 2. Page 47, by striking lines 27 and 28.
7 3. By renumbering as necessary.

**By** DIX of Butler

**H-1714** FILED MAY 20, 2005
ADOPTED

**HOUSE AMENDMENT TO SENATE AMENDMENT TO HOUSE FILE 882**

**S-3330**

1 Amend the Senate amendment, H-1703, to House File
2 882, as amended, passed, and reprinted by the House,
3 as follows:
4 1. By striking page 1, line 3, through page 49,
5 line 22, and inserting the following:
6 "___. Page 2, by inserting after line 5 the
7 following:
8 "Sec. ___. BUDGET PROCESS FOR FISCAL YEAR 2006-
9 2007.
10 1. For the budget process applicable to the fiscal
11 year beginning July 1, 2006, on or before October 1,
12 2005, in lieu of the information specified in section
13 8.23, subsection 1, unnumbered paragraph 1, and
14 paragraph "a", all departments and establishments of
15 the government shall transmit to the director of the
16 department of management, on blanks to be furnished by
17 the director, estimates of their expenditure
18 requirements, including every proposed expenditure,
19 for the ensuing fiscal year, together with supporting
20 data and explanations as called for by the director of
21 the department of management after consultation with
22 the legislative services agency.
23 2. The estimates of expenditure requirements shall
24 be in a form specified by the director of the
25 department of management, and the expenditure
26 requirements shall include all proposed expenditures
27 and shall be prioritized by program or the results to
28 be achieved. The estimates shall be accompanied by
29 performance measures for evaluating the effectiveness
30 of the programs or results.
31 ___. Page 4, by inserting after line 22, the
32 following:
33 "Sec. ___. Section 8.8, Code 2005, is amended to
34 read as follows:
35 8.8 SPECIAL OLYMPICS FUND -- APPROPRIATION.
36 A special olympics fund is created in the office of
37 the treasurer of state under the control of the
38 department of management. There is appropriated
39 annually from the general fund of the state to the
40 special olympics fund ~~thirty~~ fifty thousand dollars
41 for distribution to one or more organizations which
42 administer special olympics programs benefiting the
43 citizens of Iowa with disabilities."
44 ___. Page 5, by inserting after line 11 the
45 following:
46 "Sec. ___. DEPARTMENT OF CULTURAL AFFAIRS --
47 NONPROFIT MUSIC ENTITIES. There is appropriated from
48 the general fund of the state to the department of
49 cultural affairs for the fiscal year beginning July 1,
50 2005, and ending June 30, 2006, twenty-five thousand

1 dollars for purposes of providing two twelve thousand
2 five hundred dollar grants to nonprofit music
3 entities. A recipient of a grant shall be a nonprofit
4 entity that is formed with members including local
5 musicians, music promoters, representatives of music
6 venues and businesses, community leaders, and live
7 music enthusiasts who discuss, assess, and expedite
8 the implementation of a unified music agenda for a
9 local community and aggressively advocates, sponsors,
10 and develops an independent, progressive live music
11 economy in a local community."
12 ___. Page 5, line 13, by inserting before the
13 word "department" the following: "Iowa".
14 ___. Page 5, by inserting before line 21, the
15 following:
16 "Sec. ___. HEALTHY IOWANS TOBACCO TRUST -- PKU
17 ASSISTANCE. There is appropriated from the healthy
18 Iowans tobacco trust created in section 12.65 to the
19 Iowa department of public health for the fiscal year
20 beginning July 1, 2005, and ending June 30, 2006, the
21 following amount, or so much thereof as is necessary,
22 to be used for the purpose designated:
23 For providing grants to individual patients who
24 have phenylketonuria (PKU) to assist with the costs of
25 special food needed:
26 ..... $ 60,000
27 Sec. ___. ENRICH IOWA LIBRARIES PROGRAM. There is
28 appropriated from the rebuild Iowa infrastructure fund
29 to the department of education for the fiscal year
30 beginning July 1, 2005, and ending June 30, 2006, the
31 following amount, or so much thereof as is necessary:
32 To provide resources for structural and
33 technological improvements to local libraries and for
34 the enrich Iowa program, notwithstanding section 8.57,
35 subsection 6, paragraph "c":
36 ..... $ 200,000
37 Sec. ___. DEPARTMENT OF EDUCATION -- COMMUNITY
38 COLLEGES. There is appropriated from the rebuild Iowa
39 infrastructure fund to the department of education for
40 the designated fiscal years, the following amounts, or
41 so much thereof as is necessary, to be used for the
42 purposes designated:
43 For major renovation and major repair needs,
44 including health, life, and fire safety needs, and for
45 compliance with the federal Americans With
46 Disabilities Act, for state buildings and facilities
47 under the purview of the community colleges:
48 FY 2006-2007..... $ 2,000,000
49 FY 2007-2008..... $ 2,000,000
50 FY 2008-2009..... $ 2,000,000

The moneys appropriated in this section shall be allocated to the community colleges based upon the distribution formula established in section 260C.18C, if enacted by 2005 Iowa Acts, House File 816.

Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2010, or until the project for which the appropriation was made is completed, whichever is earlier."

___. Page 5, by striking lines 21 through 29.

___. Page 5, lines 31 and 32, by striking the words "state department of transportation" and inserting the following: "homeland security and emergency management division of the department of public safety".

___. Page 6, line 1, by striking the figure "125,000" and inserting the following: "100,000".

___. Page 6, by striking lines 2 through 19.

___. Page 6, by inserting before line 20, the following:

"Sec. ___. HEALTHY IOWANS TOBACCO TRUST -- AIDS DRUG ASSISTANCE PROGRAM. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For additional funding to leverage federal funding through the federal Ryan White Care Act, Title II, AIDS drug assistance program supplemental drug treatment grants:

..... $ 275,000

Sec. ___. GREAT PLACES. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 100,000

Notwithstanding section 8.33, any moneys appropriated in this section 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.

Sec. ___. UNDERGROUND STORAGE TANK FUND --

1 WATERSHED IMPROVEMENT FUND -- FY 2005-2006.
2 Notwithstanding section 455G.3, subsection 1, there is
3 appropriated from the Iowa comprehensive petroleum
4 underground storage tank fund created in section
5 455G.3, subsection 1, to the office of the treasurer
6 of state during the fiscal year beginning July 1,
7 2005, and ending June 30, 2006, the following amount,
8 or so much thereof as is necessary, to be used for the
9 purpose designated:
10 For deposit in the watershed improvement fund
11 created in 2005 Iowa Acts, Senate File 200, if
12 enacted:
13 ..... $ 5,000,000
14 Moneys in the watershed improvement fund are
15 appropriated for the fiscal year beginning July 1,
16 2005, and ending June 30, 2006, to fulfill the duties
17 of the watershed improvement review board, if enacted
18 by 2005 Iowa Acts, Senate File 200."
19 ___. Page 6, by striking lines 31 through 35.
20 ___. By striking page 7, line 1, through page 11,
21 line 16.
22 ___. Page 11, by inserting before line 17, the
23 following:
24 "Sec. ___.. 2005 Iowa Acts, House File 862, section
25 1, subsection 2, paragraph h, unnumbered paragraph 1,
26 and paragraph i, unnumbered paragraph 1, if enacted,
27 are amended to read as follows:
28 For a grant program to provide substance abuse
29 prevention programming for children:
30 ..... $ ~~400,000~~
31 200,000
32 For a grant to a program that utilizes high school
33 mentors to teach life skills, violence prevention, and
34 character education in an effort to reduce the illegal
35 use of alcohol, tobacco, and other substances:
36 ..... $ ~~400,000~~
37 200,000
38 Sec. ___. 2005 Iowa Acts, House File 862, section
39 1, subsection 2, paragraph j, if enacted, is amended
40 to read as follows:
41 j. For a grant program to provide substance abuse
42 prevention programming, including tobacco use
43 prevention programming, for children:
44 ..... $ ~~800,000~~
45 400,000
46 The Iowa department of public health shall utilize
47 a request for proposals process to implement this
48 paragraph "j". A program approved for a grant under
49 paragraph "h" or paragraph "i" shall not be eligible
50 for a grant under this paragraph "j".

1 Eligible grant applicants shall include, but shall
2 not be limited to, mentoring organizations and
3 organizations that practice and implement nationally
4 accepted standards for mentoring programs.
5 All grant recipients shall participate in a program
6 evaluation as a requirement for receiving grant funds.
7 Sec. ___. NATIONAL GOVERNORS ASSOCIATION MEETING.
8 2004 Iowa Acts, chapter 1175, section 12, subsection
9 4, as amended by 2005 Iowa Acts, House File 810, if
10 enacted, is amended to read as follows:
11 4. NATIONAL GOVERNORS ASSOCIATION
12 For payment of Iowa's membership in the national
13 governors association:
14 ..... $ ~~364,393~~
15 164,393
16 Of the funds appropriated in this subsection,
17 ~~$300,000~~ $100,000 is allocated for security-related
18 costs and other expenses associated with the national
19 governors association national meeting.
20 Notwithstanding section 8.33, the moneys allocated for
21 the meeting that remain unencumbered or unobligated at
22 the close of the fiscal year shall not revert but
23 shall remain available for expenditure for the
24 purposes designated until the close of the succeeding
25 fiscal year.
26 Sec. ___. 2005 Iowa Acts, House File 881, section
27 5, unnumbered paragraph 1, if enacted, is amended to
28 read as follows:
29 There is appropriated from the general fund of the
30 state to the salary adjustment fund for distribution
31 by the department of management to the various state
32 departments, boards, commissions, councils, and
33 agencies, excluding the state board of regents, for
34 the fiscal year beginning July 1, 2005, and ending
35 June 30, 2006, the amount of ~~$38,500,000~~ 40,900,000,
36 or so much thereof as may be necessary, to fully fund
37 annual pay adjustments, expense reimbursements, and
38 related benefits implemented pursuant to the
39 following:".
40 ___. By striking page 12, line 18, through page
41 13, line 4.
42 ___. Page 13, by striking lines 27 through 33.
43 ___. Page 13, by inserting before line 34, the
44 following:
45 "___. The sections of this division of this Act
46 appropriating moneys to the department of cultural
47 affairs for great places and amending 2004 Iowa Acts,
48 chapter 1175, section 12, subsection 4, being deemed
49 of immediate importance, take effect upon enactment."
50 ___. Page 13, by inserting before line 34 the

1 following:
2 "DIVISION
3 APPROPRIATION REVISIONS
4 Sec. ___. JOBS FOR AMERICA'S GRADUATES. There is
5 appropriated from the general fund of the state to the
6 department of education for the fiscal year beginning
7 July 1, 2005, and ending June 30, 2006, the following
8 amount, or so much thereof as is necessary, to be used
9 for the purpose designated:
10 For school districts to provide direct services to
11 the most at-risk senior high school students enrolled
12 in school districts through direct intervention by a
13 jobs for America's graduates specialist:
14 ..... $ 400,000
15 Sec. ___. DEPARTMENT OF ADMINISTRATIVE SERVICES --
16 FINANCIAL ADMINISTRATION. There is appropriated from
17 the general fund of the state to the department of
18 administrative services for the fiscal year beginning
19 July 1, 2005, and ending June 30, 2006, the following
20 amount, or so much thereof as is necessary, to be used
21 for the purpose designated:
22 For financial administration duties:
23 ..... $ 200,000
24 Sec. ___. DEPARTMENT OF MANAGEMENT -- PERFORMANCE
25 AUDITS. There is appropriated from the general fund
26 of the state to the department of management for the
27 fiscal year beginning July 1, 2005, and ending June
28 30, 2006, the following amount, or so much thereof as
29 is necessary, to be used for the purposes designated:
30 For conducting performance audits and developing
31 performance measures, including salaries, support,
32 maintenance, miscellaneous purposes, and for not more
33 than the following full-time equivalent positions:
34 ..... $ 216,000
35 ..... FTEs 2.50
36 Sec. ___. GOVERNOR'S OFFICE OF DRUG CONTROL
37 POLICY. If 2005 Iowa Acts, House File 810, is enacted
38 and provides for an appropriation from the general
39 fund of the state to the governor's office of drug
40 control policy for the fiscal year beginning July 1,
41 2005, and ending June 30, 2006, that appropriation is
42 reduced by the following amount:
43 ..... $ 13,195
44 Sec. ___. DEPARTMENT OF INSPECTIONS AND APPEALS --
45 ADMINISTRATION DIVISION. If 2005 Iowa Acts, House
46 File 810, is enacted and provides for an appropriation
47 from the general fund of the state to the department
48 of inspections and appeals, administration division,
49 for the fiscal year beginning July 1, 2005, and ending
50 June 30, 2006, that appropriation is reduced by the

following amount:
..... $ 49,000
Sec. ___. DEPARTMENT OF REVENUE -- OPERATIONS. If 2005 Iowa Acts, House File 810, is enacted and provides for an appropriation from the general fund of the state to the department of revenue for operations for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:
..... $ 25,882
Sec. ___. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP -- SOIL AND WATER CONSERVATION DISTRICTS. If 2005 Iowa Acts, House File 808, is enacted and provides for an appropriation from the general fund of the state to the department of agriculture and land stewardship for purposes of reimbursing commissioners of soil and water conservation districts for expenses, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:
..... $ 50,000
Sec. ___. COLLEGE STUDENT AID COMMISSION. If 2005 Iowa Acts, House File 816, is enacted and provides for an appropriation from the general fund of the state to the college student aid commission for the national guard educational assistance program for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:
..... $ 75,000
Sec. ___. DEPARTMENT OF MANAGEMENT. If 2005 Iowa Acts, House File 816 is enacted and provides for an appropriation from the general fund of the state to the department of management for allocation to the institute for tomorrow's workforce created under chapter 7K, if enacted by 2005 Iowa Acts, House File 816, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:
..... $ 100,000
Sec. ___. IOWA DEPARTMENT OF PUBLIC HEALTH. If 2005 Iowa Acts, House File 825, is enacted and provides for appropriations from the general fund of the state to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, for the following indicated purposes in 2005 Iowa Acts, House File 825, those appropriations are reduced by the following amounts:
1. For environmental hazards:
..... $ 50,000
2. For injuries:

1 ..... $ 50,000
2 3. For public protection:
3 ..... $ 40,000
4 Sec. ___. MEDICAL ASSISTANCE APPROPRIATION. If
5 2005 Iowa Acts, House File 825, is enacted and
6 provides for an appropriation from the general fund of
7 the state to the department of human services for the
8 fiscal year beginning July 1, 2005, and ending June
9 30, 2006, for the medical assistance program, that
10 appropriation is reduced by the following amount:
11 ..... $ 11,353,381
12 Sec. ___. SENIOR LIVING TRUST FUND APPROPRIATION.
13 If 2005 Iowa Acts, House File 825, is enacted and
14 provides for an appropriation from the senior living
15 trust fund to the department of human services for the
16 fiscal year beginning July 1, 2005, and ending June
17 30, 2006, to supplement the medical assistance
18 appropriation, that appropriation is increased by the
19 following amount:
20 ..... $ 9,353,381
21 Sec. ___. DEPARTMENT OF HUMAN SERVICES. If 2005
22 Iowa Acts, House File 825, is enacted and provides for
23 appropriations from the general fund of the state to
24 the department of human services for the fiscal year
25 beginning July 1, 2005, and ending June 30, 2006, for
26 the following indicated purposes, those appropriations
27 are reduced by the following amounts:
28 1. For the children's health insurance program:
29 ..... $ 50,000
30 2. For MI/MR/DD state cases:
31 ..... $ 50,000
32 Sec. ___. DEPARTMENT OF JUSTICE -- GENERAL OFFICE.
33 If 2005 Iowa Acts, House File 811, is enacted and
34 provides for an appropriation from the general fund of
35 the state to the department of justice for the
36 department's general office, that appropriation is
37 reduced by the following amount:
38 ..... $ 25,000
39 Sec. ___. DEPARTMENT OF CORRECTIONS. If 2005 Iowa
40 Acts, House File 811, is enacted and provides for an
41 appropriation from the general fund of the state to
42 the department of corrections for offender substance
43 abuse and mental health treatment for the fiscal year
44 beginning July 1, 2005, and ending June 30, 2006, that
45 appropriation is reduced by the following amount:
46 ..... $ 100,000
47 Sec. ___. DEPARTMENT OF PUBLIC SAFETY -- BUILDING
48 SECURITY. If 2005 Iowa Acts, House File 875, is
49 enacted and provides for an appropriation from the
50 general fund of the state to the department of public

1 safety for capitol building and judicial building
2 security for the fiscal year beginning July 1, 2005,
3 and ending June 30, 2006, that appropriation is
4 reduced by the following amount:
5 ..... $ 25,000
6 Sec. ___. JUDICIAL BRANCH. If 2005 Iowa Acts,
7 House File 807, is enacted and provides for an
8 appropriation from the general fund of the state to
9 the judicial branch for the fiscal year beginning July
10 1, 2005, and ending June 30, 2006, that appropriation
11 is reduced by the following amount:
12 ..... $ 50,000
13 Sec. ___. REGISTERED NURSE RECRUITMENT PROGRAM
14 FUNDS. From the funds appropriated for tuition grants
15 pursuant to section 261.25, subsection 1, for the
16 fiscal year beginning July 1, 2005, up to fifty
17 thousand dollars shall be used to provide forgivable
18 loans as provided in section 261.23 to residents of
19 Iowa who are registered nurses and who are seeking to
20 become qualified as nursing faculty in Iowa and to
21 teach in Iowa schools. To qualify for a forgivable
22 loan pursuant to this section, in addition to the
23 requirements of section 261.23, a person shall be
24 enrolled at a not-for-profit accredited school of
25 nursing that is located in this state.
26 Sec. ___. HEALTH FACILITIES COUNCIL. If 2005 Iowa
27 Acts, House File 810, is enacted and includes an
28 appropriation from the general fund of the state to
29 the department of inspections and appeals for the
30 health facilities council for the fiscal year
31 beginning July 1, 2005, and ending June 30, 2006, any
32 provision of that appropriation designating the use of
33 $80,000 and a full-time equivalent position for a
34 particular purpose shall not be applied.
35 Sec. ___. YOUTH ENRICHMENT PILOT PROJECT -- YOUTH
36 LEADERSHIP PROGRAM.
37 1. Of the funds appropriated in 2005 Iowa Acts,
38 House File 807, if enacted, from the general fund of
39 the state to the judicial branch for purposes of a
40 youth enrichment pilot project, for the fiscal year
41 beginning July 1, 2005, and ending June 30, 2006,
42 $50,000 is transferred to the department of
43 corrections to be used for a youth leadership program
44 in the sixth judicial district department of
45 correctional services in accordance with subsection 2.
46 2. The moneys transferred pursuant to subsection 1
47 shall be used by the judicial district department of
48 correctional services to establish or maintain a youth
49 leadership model program to help at-risk youth in the
50 judicial district department of correctional services.

1 As a part of the program, the judicial district
2 department of correctional services may recruit
3 college or high school students in the judicial
4 district to work with at-risk youth. The student
5 workers shall be recruited regardless of gender, be
6 recommended by their respective schools as good role
7 models, including, but not limited to, students who
8 possess capabilities in one or more of the following
9 areas of ability: intellectual capacity, athletic,
10 visual arts, or performing arts.
11 Sec. ___. CENTER FOR CONGENITAL AND INHERITED
12 DISORDERS CENTRAL REGISTRY. Notwithstanding section
13 144.13A, subsection 4, paragraph "a", for the fiscal
14 year beginning July 1, 2005, $40,000 of the fees
15 collected by the state registrar that would otherwise
16 be appropriated and used for the center for congenital
17 and inherited disorders central registry established
18 pursuant to section 136A.6 shall be credited to the
19 general fund of the state."
20 ___. Page 13, by inserting after line 35, the
21 following:
22 "Sec. ___. Section 8D.2, subsection 5, paragraph
23 b, Code 2005, is amended to read as follows:
24 b. For the purposes of this chapter, "public
25 agency" also includes any homeland security or defense
26 facility <u>or disaster response agency</u> established by
27 the administrator of the homeland security and
28 emergency management division of the department of
29 public defense or the governor or any facility
30 connected with a security or defense system <u>or</u>
31 <u>disaster response</u> as required by the administrator of
32 the homeland security and emergency management
33 division of the department of public defense or the
34 governor.
35 Sec. ___. Section 8D.9, subsection 3, Code 2005,
36 is amended to read as follows:
37 3. A facility that is considered a public agency
38 pursuant to section 8D.2, subsection 5, paragraph "b",
39 shall be authorized to access the Iowa communications
40 network strictly for homeland security communication
41 purposes <u>and disaster communication purposes</u>. Any
42 utilization of the network that is not related to
43 communications concerning homeland security <u>or a</u>
44 <u>disaster, as defined in section 29C.2,</u> is expressly
45 prohibited. <u>Access under this subsection shall be</u>
46 <u>available only if a state of disaster emergency is</u>
47 <u>proclaimed by the governor pursuant to section 29C.6</u>
48 <u>or a homeland security or disaster event occurs</u>
49 <u>requiring connection of disparate communications</u>
50 <u>systems between public agencies to provide for a</u>

1 multi-agency or multi-jurisdictional response. Access
2 shall continue only for the period of time the
3 homeland security or disaster event exists. For
4 purposes of this subsection, disaster communication
5 purposes includes training and exercising for a
6 disaster if public notice of the training and
7 exercising session is posted on the website of the
8 homeland security and emergency management division of
9 the department of public defense. A scheduled and
10 noticed training and exercising session shall not
11 exceed five days. Interpretation and application of
12 the provisions of this subsection shall be strictly
13 construed."
14 ___. By striking page 14, line 1, through page
15 15, line 17.
16 ___. Page 18, by inserting after line 30, the
17 following:
18 "Sec. ___. Section 331.439, Code 2005, is amended
19 by adding the following new subsection:
20 NEW SUBSECTION. 9. The county management plan
21 shall designate at least one hospital licensed under
22 chapter 135B that the county has contracted with to
23 provide services covered under the plan. If the
24 designated hospital does not have a bed available to
25 provide the services, the county is responsible for
26 the cost of covered services provided at an alternate
27 hospital licensed under chapter 135B.
28 Sec. ___. Section 364.17, subsection 3, paragraph
29 a, Code 2005, is amended to read as follows:
30 a. A schedule of civil penalties or criminal fines
31 for violations. A city may charge the owner of
32 housing a late payment fee of twenty-five dollars and
33 may add interest of up to one and one-half percent per
34 month if a penalty or fine imposed under this
35 paragraph is not paid within thirty days of the date
36 that the penalty or fine is due. The city shall send
37 a notice of the late payment fee to such owner by
38 first class mail to the owner's personal or business
39 mailing address. The late payment fee and the
40 interest shall not accrue if such owner files an
41 appeal with either the city, if the city has
42 established an appeals procedure, or the district
43 court. Any unpaid penalty, fine, fee, or interest
44 shall constitute a lien on the real property and may
45 be collected in the same manner as a property tax.
46 However, before a lien is filed, the city shall send a
47 notice of intent to file a lien to the owner of the
48 housing by first class mail to such owner's personal
49 or business mailing address.
50 Sec. ___. Section 364.17, subsection 5, Code 2005,

1 is amended to read as follows:
2 5. Cities may establish reasonable fees for
3 inspection and enforcement procedures. A city may
4 charge the owner of housing a late payment penalty of
5 twenty-five dollars and may add interest of up to one
6 and one-half percent per month if a fee imposed under
7 this subsection is not paid within thirty days of the
8 date that the fee is due. The city shall send a
9 notice of the late payment penalty to such owner by
10 first class mail to the owner's personal or business
11 mailing address. The late payment penalty and the
12 interest shall not accrue if such owner files an
13 appeal with either the city, if the city has
14 established an appeals procedure, or the district
15 court. Any unpaid fee, penalty, or interest shall
16 constitute a lien on the real property and may be
17 collected in the same manner as a property tax.
18 However, before a lien is filed, the city shall send a
19 notice of intent to file a lien to the owner of the
20 housing by first class mail to such owner's personal
21 or business mailing address.
22 Sec. ___. Section 384.16, subsection 1, unnumbered
23 paragraph 2, Code 2005, is amended to read as follows:
24 A budget must show comparisons between the
25 estimated expenditures in each program in the
26 following year ~~and the actual expenditures in each~~
27 ~~program during the two preceding years~~, the latest
28 estimated expenditures in each program in the current
29 year, and the actual expenditures in each program from
30 the annual report as provided in section 384.22, or as
31 corrected by a subsequent audit report. Wherever
32 practicable, as provided in rules of the committee, a
33 budget must show comparisons between the levels of
34 service provided by each program as estimated for the
35 following year, and actual levels of service provided
36 by each program during the two preceding years.
37 Sec. ___. Section 384.16, Code 2005, is amended by
38 adding the following new subsection:
39 NEW SUBSECTION. 7. A city that does not submit a
40 budget in compliance with this section shall have all
41 state funds withheld until a budget that is in
42 compliance with this section is filed with the county
43 auditor and subsequently received by the department of
44 management. The department of management shall send
45 notice to state agencies responsible for disbursement
46 of state funds and that notice is sufficient
47 authorization for those funds to be withheld until
48 later notice is given by the department of management
49 to release those funds."
50 ___. Page 20, by inserting after line 34, the

1 following:
2 "Sec. ___. Section 427.1, subsection 21, Code
3 2005, is amended to read as follows:
4 21. LOW-RENT HOUSING. The property owned and
5 operated or controlled by a nonprofit organization, as
6 recognized by the internal revenue service, providing
7 low-rent housing for persons who are elderly and
8 persons with physical and mental disabilities. The
9 exemption granted under the provisions of this
10 subsection shall apply only until the ~~terms~~ final
11 payment due date of the borrower's original low-rent
12 housing development mortgage or until the borrower's
13 original low-rent housing development mortgage is paid
14 in full or expires, whichever is sooner, subject to
15 the provisions of subsection 14. However, if the
16 borrower's original low-rent housing development
17 mortgage is refinanced, the exemption shall apply only
18 until the date that would have been the final payment
19 due date under the terms of the borrower's original
20 low-rent housing development mortgage or until the
21 refinanced mortgage is paid in full or expires,
22 whichever is sooner, subject to the provisions of
23 subsection 14."
24 ___. Page 21, by inserting after line 8, the
25 following:
26 "Sec. ___. Section 427.1, subsection 30, Code
27 2005, is amended to read as follows:
28 30. MANUFACTURED HOME COMMUNITY OR MOBILE HOME
29 PARK STORM SHELTER. A structure constructed as a
30 storm shelter at a manufactured home community or
31 mobile home park as defined in section 435.1. An
32 application for this exemption shall be filed with the
33 assessing authority not later than February 1 of the
34 first year for which the exemption is requested, on
35 forms provided by the department of revenue. The
36 application shall describe and locate the storm
37 shelter to be exempted. If the storm shelter
38 structure is used exclusively as a storm shelter, all
39 of the structure's assessed value shall be exempt from
40 taxation. If the storm shelter structure is not used
41 exclusively as a storm shelter, the storm shelter
42 structure shall be assessed for taxation at ~~seventy-~~
43 ~~five~~ fifty percent of its value as commercial
44 property."
45 ___. Page 23, by inserting after line 35, the
46 following:
47 "Sec. ___. Section 602.10110, Code 2005, is
48 amended to read as follows:
49 602.10110 OATH.
50 All persons on being admitted to the bar shall take

1 shall consist of the following:
2 a. Two members selected by the Iowa state
3 association of county auditors.
4 b. Two members selected by the Iowa state county
5 treasurers association.
6 c. Two members selected by the Iowa county
7 recorders association.
8 d. Two members selected by the Iowa state
9 association of assessors.
10 e. One member selected by each of the following
11 organizations:
12 (1) Iowa state association of counties.
13 (2) Iowa land title association.
14 (3) Iowa bankers association.
15 (4) Iowa credit union league.
16 (5) Iowa state bar association.
17 (6) Iowa association of realtors.
18 2. The county real estate electronic government
19 advisory committee shall facilitate discussion to
20 integrate the county land record information system
21 created pursuant to section 331.605C with the
22 electronic government internet applications of county
23 treasurers, county recorders, county auditors, and
24 county assessors. The advisory committee shall file
25 an integration plan with the governor and the general
26 assembly on or before November 1, 2005."
27 6. By striking page 36, line 34, through page 37,
28 line 2, and inserting the following: "of the county
29 land record information system. The Iowa county
30 recorders".
31 7. Page 37, by striking line 21, and inserting
32 the following: "documents in the county land record
33 information system until authorized by the".
34 8. Page 37, line 22, by inserting after the word
35 "assembly." the following: "However, county recorders
36 may collect actual third-party fees associated with
37 accepting and processing statutorily authorized fees
38 including credit card fees, treasury management fees,
39 and other transaction fees required to enable
40 electronic payment. For the purposes of this
41 subsection, the term "third-party" does not include
42 the county land record information system, the Iowa
43 state association of counties, or any of the
44 association's affiliates."
45 9. Page 37, lines 24 and 25, by striking the
46 words "and the department of administrative services".
47 10. Page 37, by inserting after line 33, the
48 following:
49 "Sec. ___. DATA SECURITY AUDIT.
50 1. The Iowa county recorders association shall

1 select a vendor to conduct a data security audit of
2 the county land record information system created
3 pursuant to section 331.605C. The review and
4 assessment utilized in the audit shall include, but
5 are not limited to, a review of the functional and
6 system requirements, design documentation, software
7 code developed to support the business requirements,
8 operational procedures, financial flows including a
9 financial forecast, requests for proposals, and all
10 contracts.
11 2. The costs of the data security audit conducted
12 pursuant to subsection 1 shall be paid from moneys
13 appropriated to the treasurer of state pursuant to
14 section 331.605C.
15 3. The Iowa county recorders association shall
16 forward the complete results of the data security
17 audit to the government oversight committees of the
18 senate and the house of representatives and the
19 general assembly on or before December 1, 2005, and
20 the government oversight committees may request
21 additional updates."
22 ___. Page 39, by striking lines 26 through 33.
23 ___. Page 39, by inserting before line 34 the
24 following:
25 "Sec. ___. Section 28.3, subsection 6, paragraph
26 b, Code 2005, as amended by 2005 Iowa Acts, House File
27 761, section 5, if enacted, is amended to read as
28 follows:
29 b. In addition, a community empowerment office is
30 established as a division of the department of
31 management to provide a center for facilitation,
32 communication, and coordination for community
33 empowerment activities and funding and for improvement
34 of the early care, education, health, and human
35 services systems. Staffing for the community
36 empowerment office shall be provided by a facilitator
37 or coordinator appointed by the governor, subject to
38 confirmation by the senate, and who serves at the
39 pleasure of the governor. A deputy and support staff
40 may be designated, subject to appropriation made for
41 this purpose. The facilitator or coordinator shall
42 submit reports to the governor, the Iowa board, and
43 the general assembly. The facilitator <u>or coordinator</u>
44 shall provide primary staffing to the board,
45 coordinate state technical assistance activities and
46 implementation of the technical assistance system, and
47 other communication and coordination functions to move
48 authority and decision-making responsibility from the
49 state to communities and individuals.
50 Sec. ___. Section 28.4, subsection 14, if enacted

by 2005 Iowa Acts, House File 761, section 9, is amended to read as follows:

14. With the assistance of the state departments represented on the Iowa empowerment board and the community empowerment office, develop and implement requirements for community empowerment areas and the state administrators of programs providing early care or early care services to annually report to the public and the early care ~~coordinator~~ staff designated pursuant to section 28.3 regarding the results produced by the community empowerment initiative and by the programs. Source data shall also be made available to the early care ~~coordinator~~."

___. Page 43, by inserting after line 17, the following:

"___. Section 135M.6, as enacted by 2005 Iowa Acts, House File 724, section 6, is amended to read as follows:

135M.6 SAMPLE PRESCRIPTION DRUGS.

This chapter shall not be construed to restrict the use of samples by a physician or other person legally authorized to prescribe drugs ~~pursuant to section 147.107~~ under state and federal law during the course of the physician's or other person's duties at a medical facility or pharmacy."

___. Page 46, by inserting after line 18, the following:

"Sec. ___. Section 453A.47A, subsection 4, and subsection 9, unnumbered paragraph 1, as enacted by 2005 Iowa Acts, House File 339, section 4, are amended to read as follows:

4. RETAILER -- CIGARETTES AND TOBACCO PRODUCTS. A retailer, as defined in section 453A.1, who holds a permit under division I of this chapter is not required to also obtain a ~~retailer~~ retail permit under this division. However, if a retailer, as defined in section 453A.1, only holds a permit under division I of this chapter and that permit is suspended, revoked, or expired, the retailer shall not sell any cigarettes or tobacco products during the time which the permit is suspended, revoked, or expired.

~~Retailer~~ Retail permits shall be issued only upon applications, accompanied by the fee indicated above, made upon forms furnished by the department upon written request. The failure to furnish such forms shall be no excuse for the failure to file the form unless absolute refusal is shown. The forms shall specify:

Sec. ___. Section 483A.8, subsection 5, Code 2005, is amended to read as follows:

5. A nonresident owning land in this state may apply for ~~one of the first six thousand~~ a nonresident antlered or any sex deer ~~licenses not limited to antlerless deer~~ hunting license, and the provisions of subsection 3 shall apply. However, if a nonresident owning land in this state is unsuccessful in obtaining one of the ~~first six thousand~~ nonresident antlered or any sex deer hunting licenses, the landowner shall be given preference for one of the ~~two thousand five hundred~~ antlerless deer only nonresident deer hunting licenses available pursuant to subsection 3. A nonresident owning land in this state shall pay the fee for a nonresident antlerless only deer license and the license shall be valid to hunt on the nonresident's land only. ~~A nonresident owning land in this state is eligible for only one nonresident deer license annually.~~ If one or more parcels of land have multiple nonresident owners, only one of the nonresident owners is eligible for a nonresident antlerless only deer license. If a nonresident jointly owns land in this state with a resident, the nonresident shall not be given preference for a nonresident antlerless only deer license. The department may require proof of land ownership from a nonresident landowner applying for a nonresident antlerless only deer license.

Sec. ___. Section 501A.231, subsection 5, if enacted by 2005 Iowa Acts, House File 859, section 17, is amended to read as follows:

5. The secretary of state may provide for the change of registered office or registered agent on the form prescribed by the secretary of state for the biennial report, provided that the form contains the information required by section 501A.402. If the secretary of state determines that a biennial report does not contain the information required by this section but otherwise meets the requirements of section ~~501.402~~ 501A.402 for the purpose of changing the registered office or registered agent, the secretary of state shall file the statement of change of registered office or registered agent, effective as provided in section 501A.203, before returning the biennial report to the cooperative as provided in this section. A statement of change of registered office or agent pursuant to this subsection shall be executed by a person authorized to execute the biennial report.

Sec. ___. Section 501A.1001, subsection 4, if enacted by 2005 Iowa Acts, House File 859, section 73, is amended to read as follows:

4. The determinations of the board as to the

1 amount or fair value or the fairness to the
2 cooperative of the contribution accepted or to be
3 accepted by the cooperative or the terms of payment or
4 performance, including under a contribution ~~rights~~
5 agreement in section 501A.1003, and a contribution
6 rights agreement in section 501A.1004, are presumed to
7 be proper if they are made in good faith and on the
8 basis of accounting methods, or a fair valuation or
9 other method, reasonable in the circumstances.
10 Directors who are present and entitled to vote, and
11 who, intentionally or without reasonable
12 investigation, fail to vote against approving a
13 consideration that is unfair to the cooperative, or
14 overvalue property or services received or to be
15 received by the cooperative as a contribution, are
16 jointly and severally liable to the cooperative for
17 the benefit of the then members who did not consent to
18 and are damaged by the action to the extent of the
19 damages of those members. A director against whom a
20 claim is asserted under this subsection, except in
21 case of knowing participation in a deliberate fraud,
22 is entitled to contribution on an equitable basis from
23 other directors who are liable under this subsection.
24 Sec. ___. Section 10B.4, subsection 1, Code 2005,
25 as amended by 2005 Iowa Acts, House File 859, section
26 102, if enacted, is amended to read as follows:
27 1. A biennial report shall be filed by a reporting
28 entity with the secretary of state on or before March
29 31 of each odd-numbered year as required by rules
30 adopted by the secretary of state pursuant to chapter
31 17A. However, a reporting entity required to file a
32 biennial report pursuant to chapter 490, 490A, 496C,
33 497, 498, ~~490A,~~ 499, 501, 501A, or 504A shall file the
34 report required by this section in the same year as
35 required by that chapter. The reporting entity may
36 file the report required by this section together with
37 the biennial report required to be filed by one of the
38 other chapters referred to in this subsection. The
39 reports shall be filed on forms prepared and supplied
40 by the secretary of state. The secretary of state may
41 provide for combining its reporting forms with other
42 biennial reporting forms required to be used by the
43 reporting entities.
44 Sec. ___. 2005 Iowa Acts, House File 859, section
45 104, if enacted, is amended by striking the section
46 and inserting in lieu thereof the following:
47 SEC. 104. Section 15.385, subsection 4, paragraph
48 a, Code 2005, is amended to read as follows:
49 a. An eligible business may claim a tax credit
50 equal to a percentage of the new investment directly

1 related to new jobs created by the location or
2 expansion of an eligible business under the program.
3 The tax credit shall be allowed against taxes imposed
4 under chapter 422, division II, III, or V. If the
5 business is a partnership, S corporation, limited
6 liability company, cooperative organized under chapter
7 501 or 501A and filing as a partnership for federal
8 tax purposes, or estate or trust electing to have the
9 income taxed directly to the individual, an individual
10 may claim the tax credit allowed. The amount claimed
11 by the individual shall be based upon the pro rata
12 share of the individual's earnings of the partnership,
13 S corporation, limited liability company, cooperative
14 organized under chapter 501 or 501A and filing as a
15 partnership for federal tax purposes, or estate or
16 trust. The percentage shall be equal to the amount
17 provided in paragraph "d". Any tax credit in excess
18 of the tax liability for the tax year may be credited
19 to the tax liability for the following seven years or
20 until depleted, whichever occurs first.
21 Subject to prior approval by the department of
22 economic development, in consultation with the
23 department of revenue, an eligible business whose
24 project primarily involves the production of value-
25 added agricultural products or uses
26 biotechnology-related processes may elect to receive a
27 refund of all or a portion of an unused tax credit.
28 For purposes of this subsection, such an eligible
29 business includes a cooperative described in section
30 521 of the Internal Revenue Code which is not required
31 to file an Iowa corporate income tax return, and whose
32 project primarily involves the production of ethanol.
33 The refund may be applied against a tax liability
34 imposed under chapter 422, division II, III, or V. If
35 the business is a partnership, S corporation, limited
36 liability company, cooperative organized under chapter
37 501 or 501A and filing as a partnership for federal
38 tax purposes, or estate or trust electing to have the
39 income taxed directly to the individual, an individual
40 may claim the tax credit allowed. The amount claimed
41 by the individual shall be based upon the pro rata
42 share of the individual's earnings of the partnership,
43 S corporation, limited liability company, cooperative
44 organized under chapter 501 or 501A and filing as a
45 partnership for federal tax purposes, or estate or
46 trust."
47 ___. Page 48, by inserting after line 23 the
48 following:
49 "Sec. ___. Section 805.8C, subsection 6, as
50 amended by 2005 Iowa Acts, Senate File 169, section 9,

1 is amended to read as follows:
2 6. PSEUDOEPHEDRINE SALES VIOLATIONS. For
3 violations of section 126.23A, subsection 1, by an
4 employee of a retailer, or for violations of section
5 126.23A, subsection 2, paragraph "a", by a purchaser,
6 the scheduled fine is as follows:
7 a. If the violation is a first offense, the
8 scheduled fine is one hundred dollars.
9 b. If the violation is a second offense, the
10 scheduled fine is two hundred fifty dollars.
11 c. If the violation is a third or subsequent
12 offense, the scheduled fine is five hundred dollars."
13 ___. Page 48, by inserting after line 23, the
14 following:
15 "Sec. ___. 2005 Iowa Acts, House File 739, section
16 7, if enacted, is amended to read as follows:
17 SEC. 7. CONTINGENT EFFECTIVENESS. The sections of
18 this Act ~~creating~~ amending Code chapter 280A or
19 enacting new sections in Code chapter 280A take effect
20 only if the general assembly appropriates funds for
21 the fiscal year beginning July 1, 2005, in an amount
22 sufficient to implement the provisions of Code chapter
23 280A, if enacted.
24 Sec. ___. 2005 Iowa Acts, House File 839, is
25 amended by adding the following new section:
26 SEC. ___. EFFECTIVE DATE. This Act, being deemed
27 of immediate importance, takes effect upon enactment
28 of 2005 Iowa Acts, House File 882."
29 ___. Page 48, by inserting after line 26 the
30 following:
31 "DIVISION
32 STATE LIQUOR ACTIVITIES
33 Sec. ___. Section 123.53, subsection 3, Code 2005,
34 is amended to read as follows:
35 3. The treasurer of state shall transfer into a
36 special revenue account in the general fund of the
37 state, a sum of money at least equal to seven percent
38 of the gross amount of sales made by the division from
39 the beer and liquor control fund on a monthly basis
40 but not less than nine million dollars annually~~, and~~
41 ~~any amounts so~~. Of the amounts transferred, two
42 million dollars, plus an additional amount determined
43 by the general assembly, shall be ~~used by~~ appropriated
44 to the substance abuse division of the Iowa department
45 of public health to be used for substance abuse
46 treatment and prevention programs ~~in an amount~~
47 ~~determined by the general assembly and any~~. Any
48 amounts received in excess of the amounts appropriated
49 to the substance abuse division of the Iowa department
50 of public health shall be considered part of the

1 general fund balance.
2 Sec. ___. ALCOHOLIC BEVERAGES DIVISION -- STATE
3 LIQUOR WAREHOUSE AND TRUCKING FUNCTIONS. The
4 department of administrative services shall issue a
5 request for proposals developed with the alcoholic
6 beverages division of the department of commerce or
7 otherwise utilize a competitive process not
8 inconsistent with the division's current charter
9 agency agreement to select a provider to perform the
10 state liquor warehouse and trucking functions. The
11 request for proposals or competitive process shall be
12 issued or commenced as soon as is reasonably possible
13 and a provider shall be selected no later than
14 December 31, 2005. The division may submit a bid in
15 response to a request for proposals issued or
16 competitive process conducted pursuant to this
17 section. If the division submits a bid, the division
18 shall include in the bid the cost of labor to perform
19 the contract which shall be calculated by using the
20 cost of hiring full-time equivalent positions to
21 perform the contract pursuant to state pay grade
22 classifications and benefits as outlined in the most
23 recent collective bargaining agreement applicable to
24 other employees of the division. Notwithstanding any
25 provision of chapter 22 to the contrary, the
26 division's bid and any documents the division uses in
27 developing its bid shall be considered a confidential
28 record until the department of administrative services
29 announces the results of the request for proposals or
30 competitive process.
31 Sec. ___. EFFECTIVE DATE. The section of this
32 division of this Act amending section 123.53 takes
33 effect July 1, 2006.
34 DIVISION
35 BOARD OF REGENTS
36 Sec. ___. Section 12B.10C, Code 2005, is amended
37 by adding the following new subsection:
38 NEW SUBSECTION. 10. The state board of regents
39 governed by chapter 262.
40 Sec. ___. Section 73A.1, subsection 2, Code 2005,
41 is amended to read as follows:
42 2. "Municipality" as used in this chapter means
43 township, school corporation, and state fair board~~,~~
44 ~~and state board of regents~~.
45 Sec. ___. Section 262.9, subsection 7, Code 2005,
46 is amended to read as follows:
47 7. ~~With the approval of the executive council,~~
48 ~~acquire~~ Acquire real estate for the proper uses of
49 ~~said~~ institutions under its control, and dispose of
50 real estate belonging to ~~said~~ the institutions when

not necessary for their purposes. ~~A~~ The disposal of ~~such~~ real estate shall be made upon such terms, conditions, and consideration as the board may recommend ~~and subject to the approval of the executive council~~. If real estate subject to sale ~~hereunder~~ has been purchased or acquired from appropriated funds, the proceeds of such sale shall be deposited with the treasurer of state and credited to the general fund of the state. There is hereby appropriated from the general fund of the state a sum equal to the proceeds so deposited and credited to the general fund of the state to the state board of regents, which~~, with the prior approval of the executive council,~~ may be used to purchase other real estate and buildings~~,~~ and for the construction and alteration of buildings and other capital improvements. All transfers shall be by state patent in the manner provided by law. The board is also authorized to grant easements for rights-of-way over, across, and under the surface of public lands under its jurisdiction when in the board's judgment such easements are desirable and will benefit the state of Iowa.

Sec. ___. Section 262.9, subsection 15, unnumbered paragraph 2, Code 2005, is amended by striking the unnumbered paragraph.

Sec. ___. Section 262.10, unnumbered paragraph 1, Code 2005, is amended to read as follows:

No sale or purchase of real estate shall be made save upon the order of the board, made at a regular meeting, or one called for that purpose, and then in such manner and under such terms as the board may prescribe ~~and only with the approval of the executive council~~. No member of the board or any of its committees, offices or agencies nor any officer of any institution, shall be directly or indirectly interested in such purchase or sale.

Sec. ___. Section 262.33A, Code 2005, is amended to read as follows:

262.33A FIRE AND ENVIRONMENTAL SAFETY -- REPORT -- EXPENDITURES.

It is the intent of the general assembly that each institution of higher education under the control of the state board of regents shall, in consultation with the state fire marshal, identify and correct all critical fire and environmental safety deficiencies. ~~The state fire marshal shall report annually to the joint subcommittee on education appropriations. The report shall include, but is not limited to, the identified deficiencies in fire and environmental safety at the institutions, and plans for correction~~

1 ~~of the deficiencies and for compliance with this~~
2 ~~section.~~ Commencing July 1, 1993, each institution
3 under the control of the state board of regents shall
4 expend annually for fire safety and deferred
5 maintenance at least the amount budgeted for these
6 purposes for the fiscal year beginning July 1, 1992,
7 in addition to any moneys appropriated from the
8 general fund for these purposes in succeeding years.
9 Sec. ___. Section 262.34, Code 2005, is amended to
10 read as follows:
11 262.34 IMPROVEMENTS -- ADVERTISEMENT FOR BIDS --
12 DISCLOSURES -- PAYMENTS.
13 1. When the estimated cost of construction,
14 repairs, or improvement of buildings or grounds under
15 charge of the state board of regents exceeds ~~twenty-~~
16 ~~five~~ one hundred thousand dollars, the board shall
17 advertise for bids for the contemplated improvement or
18 construction and shall let the work to the lowest
19 responsible bidder. However, if in the judgment of
20 the board bids received are not acceptable, the board
21 may reject all bids and proceed with the construction,
22 repair, or improvement by a method as the board may
23 determine. All plans and specifications for repairs
24 or construction, together with bids on the plans or
25 specifications, shall be filed by the board and be
26 open for public inspection. All bids submitted under
27 this section shall be accompanied by a deposit of
28 money, a certified check, or a credit union certified
29 share draft in an amount as the board may prescribe.
30 2. A bidder awarded a contract shall disclose the
31 names of all subcontractors, who will work on the
32 project being bid, within forty-eight hours after the
33 award of the contract. If a subcontractor named by a
34 bidder awarded a contract is replaced, or if the cost
35 of work to be done by a subcontractor is reduced, the
36 bidder shall disclose the name of the new
37 subcontractor or the amount of the reduced cost.
38 3. Payments made by the board for the construction
39 of public improvements shall be made in accordance
40 with the provisions of chapter 573 except that:
41 a. Payments may be made without retention until
42 ninety-five percent of the contract amount has been
43 paid. The remaining five percent of the contract
44 amount shall be paid as provided in section 573.14,
45 except that:
46 (1) At any time after all or any part of the work
47 is substantially completed in accordance with
48 paragraph "c", the contractor may request the release
49 of all or part of the retainage owed. Such request
50 shall be accompanied by a waiver of claim rights under

1 the provisions of chapter 573 from any person, firm,
2 or corporation who has, under contract with the
3 principal contractor or with subcontractors performed
4 labor, or furnished materials, service, or
5 transportation in the construction of that portion of
6 the work for which release of the retainage is
7 requested.
8 (2) Upon receipt of the request, the board shall
9 release all or part of the unpaid funds. Retainage
10 that is approved as payable shall be paid at the time
11 of the next monthly payment or within thirty days,
12 whichever is sooner. If partial retainage is released
13 pursuant to a contractor's request, no retainage shall
14 be subsequently held based on that portion of the
15 work. If within thirty days of when payment becomes
16 due the board does not release the retainage due,
17 interest shall accrue on the retainage amount due as
18 provided in section 573.14 until that amount is paid.
19 (3) If at the time of the request for the
20 retainage there are remaining or incomplete minor
21 items, an amount equal to two hundred percent of the
22 value of each remaining or incomplete item, as
23 determined by the board's authorized contract
24 representative, may be withheld until such item or
25 items are completed.
26 (4) An itemization of the remaining or incomplete
27 items, or the reason that the request for release of
28 the retainage was denied, shall be provided to the
29 contractor in writing within thirty calendar days of
30 the receipt of the request for release of retainage.
31 b. For purposes of this section, "authorized
32 contract representative" means the architect or
33 engineer who is in charge of the project and chosen by
34 the board to represent its interests, or if there is
35 no architect or engineer, then such other contract
36 representative or officer as designated in the
37 contract documents as the party representing the
38 board's interest regarding administration and
39 oversight of the project.
40 c. For purposes of this section, "substantially
41 completed" means the first date on which any of the
42 following occurs:
43 (1) Completion of the project or when the work has
44 been substantially completed in general accordance
45 with the terms and provisions of the contract.
46 (2) The work or the portion designated is
47 sufficiently complete in accordance with the
48 requirements of the contract so the board can occupy
49 or utilize the work for its intended purpose.
50 (3) The project is certified as having been

1 substantially completed by either of the following:
2 (a) The architect or engineer authorized to make
3 such certification.
4 (b) The contracting authority representing the
5 board.
6 4. Each contractor or subcontractor shall withhold
7 retainage, if at all, in the same manner as retainage
8 is withheld from the contractor or subcontractor; and
9 each subcontractor shall pass through all retainage
10 payments to lower tier subcontractors in accordance
11 with the provisions of chapter 573.
12 Sec. ___. Section 262.57, unnumbered paragraph 1,
13 Code 2005, is amended to read as follows:
14 To pay all or any part of the cost of carrying out
15 any project at any institution the board is authorized
16 to borrow money and to issue and sell negotiable bonds
17 or notes and to refund and refinance bonds or notes
18 heretofore issued or as may be hereafter issued for
19 any project or for refunding purposes at a lower rate,
20 the same rate or a higher rate or rates of interest
21 and from time to time as often as the board shall find
22 it to be advisable and necessary so to do. Such bonds
23 or notes may be sold by said board at public sale in
24 the manner prescribed by chapter 75 but if the board
25 shall find it to be advantageous and in the public
26 interest to do so, such bonds or notes may be sold by
27 the board at private sale without published notice of
28 any kind and without regard to the requirements of
29 chapter 75 in such manner and upon such terms as may
30 be prescribed by the resolution authorizing the same~~,~~
31 ~~but such bonds or notes shall in any event be sold~~
32 ~~upon terms of not less than par plus accrued interest~~.
33 Bonds or notes issued to refund other bonds or notes
34 heretofore or hereafter issued by the board for
35 residence hall or dormitory purposes at any
36 institution, including dining or other facilities and
37 additions, or heretofore or hereafter issued for
38 refunding purposes, may either be sold in the manner
39 hereinbefore specified and the proceeds thereof
40 applied to the payment of the obligations being
41 refunded, or the refunding bonds or notes may be
42 exchanged for and in payment and discharge of the
43 obligations being refunded, and a finding by the board
44 in the resolution authorizing the issuance of such
45 refunding bonds or notes that the bonds or notes being
46 refunded were issued for a purpose specified in this
47 division and constitute binding obligations of the
48 board shall be conclusive and may be relied upon by
49 any holder of any refunding bond or note issued under
50 the provisions of this division. The refunding bonds

1 or notes may be sold or exchanged in installments at
2 different times or an entire issue or series may be
3 sold or exchanged at one time. Any issue or series of
4 refunding bonds or notes may be exchanged in part or
5 sold in parts in installments at different times or at
6 one time. The refunding bonds or notes may be sold or
7 exchanged at any time on, before, or after the
8 maturity of any of the outstanding notes, bonds or
9 other obligations to be refinanced thereby and may be
10 issued for the purpose of refunding a like or greater
11 principal amount of bonds or notes, except that the
12 principal amount of the refunding bonds or notes may
13 exceed the principal amount of the bonds or notes to
14 be refunded to the extent necessary to pay any premium
15 due on the call of the bonds or notes to be refunded
16 or to fund interest in arrears or about to become due.
17 Sec. ___. Section 262.78, subsection 6, Code 2005,
18 is amended by striking the subsection.
19 Sec. ___. Section 262A.5, unnumbered paragraph 1,
20 Code 2005, is amended to read as follows:
21 The board is authorized to borrow money under this
22 chapter, and the board may issue and sell negotiable
23 bonds to pay all or any part of the cost of carrying
24 out any project at any institution and may refund and
25 refinance bonds issued for any project or for
26 refunding purposes at the same rate or at a higher or
27 lower rate or rates of interest. Bonds issued under
28 the provisions of this chapter shall be sold by said
29 board at public sale on the basis of sealed proposals
30 received pursuant to a notice specifying the time and
31 place of sale and the amount of bonds to be sold which
32 shall be published at least once not less than seven
33 days prior to the date of sale in a newspaper
34 published in the state of Iowa and having a general
35 circulation in said state. The provisions of chapter
36 75 shall ~~not~~ apply to bonds issued under authority
37 contained in this chapter~~, but such bonds shall be~~
38 ~~sold upon terms of not less than par plus accrued~~
39 ~~interest~~ to the extent not in conflict with this
40 chapter. Bonds issued to refund other bonds issued
41 under the provisions of this chapter may either be
42 sold in the manner hereinbefore specified and the
43 proceeds thereof applied to the payment of the
44 obligations being refunded, or the refunding bonds may
45 be exchanged for and in payment and discharge of the
46 obligations being refunded. The refunding bonds may
47 be sold or exchanged in installments at different
48 times or an entire issue or series may be sold or
49 exchanged at one time. Any issue or series of
50 refunding bonds may be exchanged in part or sold in

1 parts in installments at different times or at one
2 time. The refunding bonds may be sold or exchanged at
3 any time on, before, or after the maturity of any of
4 the outstanding bonds or other obligations to be
5 refinanced thereby and may be issued for the purpose
6 of refunding a like or greater principal amount of
7 bonds, except that the principal amount of the
8 refunding bonds may exceed the principal amount of the
9 bonds to be refunded to the extent necessary to pay
10 any premium due on the call of the bonds to be
11 refunded or to fund interest in arrears or which is to
12 become due.
13 Sec. ___. Section 266.39F, subsection 2,
14 unnumbered paragraph 2, Code 2005, is amended to read
15 as follows:
16 The provisions of section 262.9, subsection 7, ~~and~~
17 ~~section 262.10,~~ shall not apply to the sale of any
18 portion of land to be sold in accordance with this
19 section or to the use of the proceeds from the sale of
20 the land.
21 Sec. ___. Section 573.12, subsection 1, unnumbered
22 paragraph 1, Code 2005, is amended to read as follows:
23 Payments made under contracts for the construction
24 of public improvements, unless provided otherwise by
25 law, shall be made on the basis of monthly estimates
26 of labor performed and material delivered, as
27 determined by the project architect or engineer. The
28 public corporation shall retain from each monthly
29 payment not more than five percent of that amount
30 which is determined to be due according to the
31 estimate of the architect or engineer. ~~However,~~
32 ~~institutions governed pursuant to chapter 262 may, on~~
33 ~~contracts where a bond is required under section~~
34 ~~573.2, make payments under this section without~~
35 ~~retention until ninety-five percent of the contract~~
36 ~~amount has been paid and the remaining five percent of~~
37 ~~the contract amount shall be paid as provided under~~
38 ~~section 573.14.~~
39 Sec. ___. Section 573.14, unnumbered paragraph 2,
40 Code 2005, is amended to read as follows:
41 The public corporation shall order payment of any
42 amount due the contractor to be made in accordance
43 with the terms of the contract. Except as provided in
44 section 573.12 for progress payments, failure to make
45 payment pursuant to this section, of any amount due
46 the contractor, within forty days, unless a greater
47 time period not to exceed fifty days is specified in
48 the contract documents, after the work under the
49 contract has been completed and if the work has been
50 accepted and all required materials, certifications,

1 and other documentations required to be submitted by
2 the contractor and specified by the contract have been
3 furnished the awarding public corporation by the
4 contractor, shall cause interest to accrue on the
5 amount unpaid to the benefit of the unpaid party.
6 Interest shall accrue during the period commencing the
7 thirty-first day following the completion of work and
8 satisfaction of the other requirements of this
9 paragraph and ending on the date of payment. The rate
10 of interest shall be determined by the period of time
11 during which interest accrues, and shall be the same
12 as the rate of interest that is in effect under
13 section 12C.6, as of the day interest begins to
14 accrue, for a deposit of public funds for a comparable
15 period of time. <u>However, for institutions governed</u>
16 <u>pursuant to chapter 262, the rate of interest shall be</u>
17 <u>determined by the period of time during which interest</u>
18 <u>accrues, and shall be calculated as the prime rate</u>
19 <u>plus one percent per year as of the day interest</u>
20 <u>begins to accrue.</u> This paragraph does not abridge any
21 of the rights set forth in section 573.16. Except as
22 provided in sections 573.12 and 573.16, interest shall
23 not accrue on funds retained by the public corporation
24 to satisfy the provisions of this section regarding
25 claims on file. This chapter does not apply if the
26 public corporation has entered into a contract with
27 the federal government or accepted a federal grant
28 which is governed by federal law or rules that are
29 contrary to the provisions of this chapter. <u>For</u>
30 <u>purposes of this unnumbered paragraph, "prime rate"</u>
31 <u>means the prime rate charged by banks on short-term</u>
32 <u>business loans, as determined by the board of</u>
33 <u>governors of the federal reserve system and published</u>
34 <u>in the federal reserve bulletin.</u>
35 Sec. ___. Sections 262.64A, 262.67, 262A.3,
36 262A.6A, 263A.11, 265.6, and 473.12, Code 2005, are
37 repealed.
38 DIVISION
39 ENTREPRENEURS WITH DISABILITIES
40 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
41 -- TRANSFER OF ADMINISTRATION. The department of
42 economic development shall transfer the administrative
43 duties of the entrepreneurs with disabilities program
44 to the Iowa finance authority. The authority shall
45 adopt rules pursuant to chapter 17A for purposes of
46 administering the program. Any contract entered into
47 under the program by the department of economic
48 development remains valid. The transfer of
49 administrative duties to the authority shall not
50 constitute grounds for recision or modification of a

1 contract under the program entered into with the
2 department.
3 Sec. ___. ENTREPRENEURS WITH DISABILITIES PROGRAM
4 -- APPROPRIATION. For the fiscal year beginning July
5 1, 2005, and ending June 30, 2006, there is
6 appropriated from the general fund of the state to the
7 Iowa finance authority two hundred thousand dollars
8 for purposes of the entrepreneurs with disabilities
9 program."
10 ___. Page 48, by inserting after line 26, the
11 following:
12 "DIVISION
13 WIND ENERGY PRODUCTION TAX CREDIT
14 Sec. ___. Section 476B.1, subsection 4, paragraph
15 c, Code 2005, is amended to read as follows:
16 c. Was originally placed in service on or after
17 July 1, ~~2004~~ 2005, but before July 1, ~~2007~~ 2008.
18 Sec. ___. Section 476B.3, Code 2005, is amended to
19 read as follows:
20 476B.3 CREDIT AMOUNT.
21 ~~1. Except as limited by subsection 2, the~~ The wind
22 energy production tax credit allowed under this
23 chapter equals the product of one cent multiplied by
24 the number of kilowatt-hours of qualified electricity
25 sold by the owner during the taxable year.
26 ~~2. a. The maximum amount of tax credit which a~~
27 ~~group of qualified facilities operating as one unit~~
28 ~~may receive for a taxable year equals the rate of~~
29 ~~credit times thirty-two percent of the total number of~~
30 ~~kilowatts of nameplate generating capacity.~~
31 ~~b. However, if for the previous taxable year the~~
32 ~~amount of the tax credit for the group of qualified~~
33 ~~facilities operating as one unit is less than the~~
34 ~~maximum amount available as provided in paragraph "a",~~
35 ~~the maximum amount for the next taxable year shall be~~
36 ~~increased by the amount of the previous year's unused~~
37 ~~maximum credit.~~
38 Sec. ___. Section 476B.4, subsection 1, paragraph
39 b, Code 2005, is amended by striking the paragraph.
40 Sec. ___. Section 476B.5, Code 2005, is amended by
41 striking the section and inserting in lieu thereof the
42 following:
43 476B.5 DETERMINATION OF ELIGIBILITY.
44 1. An owner may apply to the board for a written
45 determination regarding whether a facility is a
46 qualified facility by submitting to the board a
47 written application containing all of the following:
48 a. Information regarding the ownership of the
49 facility including the percentage of equity interest
50 held by each owner.

1 b. The nameplate generating capacity of the
2 facility.
3 c. Information regarding the facility's initial
4 placement in service.
5 d. Information regarding the type of facility.
6 e. A copy of an executed power purchase agreement
7 or other agreement to purchase electricity upon
8 completion of the project.
9 f. Any other information the board may require.
10 2. The board shall review the application and
11 supporting information and shall make a preliminary
12 determination regarding whether the facility is a
13 qualified facility. The board shall notify the
14 applicant of the approval or denial of the application
15 within thirty days of receipt of the application and
16 information required. If the board fails to notify
17 the applicant of the approval or denial within thirty
18 days, the application shall be deemed denied. An
19 applicant who receives a determination denying an
20 application may file an appeal with the board within
21 thirty days from the date of the denial pursuant to
22 the provisions of chapter 17A. In the absence of a
23 timely appeal, the preliminary determination shall be
24 final. If the application is incomplete, the board
25 may grant an extension of time for the provision of
26 additional information.
27 3. A facility that is not operational within
28 eighteen months after issuance of an approval for the
29 facility by the board shall cease to be a qualified
30 facility. A facility that is granted and thereafter
31 loses approval may reapply to the board for a new
32 determination.
33 4. The maximum amount of nameplate generating
34 capacity of all qualified facilities the board may
35 find eligible under this chapter shall not exceed four
36 hundred fifty megawatts of nameplate generating
37 capacity.
38 5. An owner shall not be an owner of more than two
39 qualified facilities.
40 Sec. ___. Section 476B.6, Code 2005, is amended by
41 striking the section and inserting in lieu thereof the
42 following:
43 476B.6 TAX CREDIT CERTIFICATE PROCEDURE.
44 1. a. To be eligible to receive the wind energy
45 production tax credit, the owner must first receive
46 approval of the board of supervisors of the county in
47 which the qualified facility is located. The
48 application for approval may be submitted prior to
49 commencement of the construction of the qualified
50 facility but shall be submitted no later than the

1 close of the owner's first taxable year for which the
2 credit is to be applied for. The application must
3 contain the owner's name and address, the address of
4 the qualified facility, and the dates of the owner's
5 first and last taxable years for which the credit will
6 be applied for. Within forty-five days of the receipt
7 of the application for approval, the board of
8 supervisors shall either approve or disapprove the
9 application. After the forty-five-day limit, the
10 application is deemed to be approved.
11 b. Upon approval of the application, the owner may
12 apply for the tax credit as provided in subsection 2.
13 In addition, approval of the application is acceptance
14 by the applicant for the assessment of the qualified
15 facility for property tax purposes for a period of
16 twelve years and approval by the board of supervisors
17 for the payment of the property taxes levied on the
18 qualified property to the state. For purposes of
19 property taxation, the qualified facility shall be
20 centrally assessed and shall be exempt from any
21 replacement tax under section 437A.6 for the period
22 during which the facility is subject to property
23 taxation. The property taxes to be paid to the state
24 are those property taxes which make up the
25 consolidated tax levied on the qualified facility and
26 which are due and payable in the twelve-year period
27 beginning with the first fiscal year beginning on or
28 after the end of the owner's first taxable year for
29 which the credit is applied for. Upon approval of the
30 application, the board of supervisors shall notify the
31 county treasurer to state on the tax statement which
32 lists the taxes on the qualified facility that the
33 amount of the property taxes shall be paid to the
34 department. Payment of the designated property taxes
35 to the department shall be in the same manner as
36 required for the payment of regular property taxes and
37 failure to pay designated property taxes to the
38 department shall be treated the same as failure to pay
39 property taxes to the county treasurer.
40 c. Once the owner of the qualified facility
41 receives approval under paragraph "a", subsequent
42 approval under paragraph "a" is not required for the
43 same qualified facility for subsequent taxable years.
44 2. An owner of a qualified facility may apply to
45 the board for the wind energy production tax credit by
46 submitting to the board all of the following:
47 a. A completed application in a form prescribed by
48 the board.
49 b. A copy of the determination granting approval
50 of the facility as a qualified facility by the board.

1 c. A copy of a signed power purchase agreement or
2 other agreement to purchase electricity.
3 d. Sufficient documentation that the electricity
4 has been generated by the qualified facility and sold
5 to a purchaser.
6 e. Any other information the board deems
7 necessary.
8 3. The board shall notify the department of the
9 amount of kilowatt-hours generated and purchased from
10 a qualified facility. The department shall calculate
11 the amount of the tax credit for which the applicant
12 is eligible and shall issue the tax credit certificate
13 for that amount or notify the applicant in writing of
14 its refusal to do so. An applicant whose application
15 is denied may file an appeal with the department
16 within sixty days from the date of the denial pursuant
17 to the provisions of chapter 17A.
18 4. Each tax credit certificate shall contain the
19 owner's name, address, and tax identification number,
20 the amount of tax credits, the first taxable year the
21 certificate may be used, the type of tax to which the
22 tax credits shall be applied, and any other
23 information required by the department. The tax
24 credit certificate shall only list one type of tax to
25 which the amount of the tax credit may be applied.
26 Once issued by the department, the tax credit
27 certificate shall not be terminated or rescinded.
28 5. If the tax credit application is filed by a
29 partnership, limited liability company, S corporation,
30 estate, trust, or other reporting entity all of the
31 income of which is taxed directly to its equity
32 holders or beneficiaries, for the taxes imposed under
33 chapter 422, division II or III, the tax credit
34 certificate shall be issued directly to equity holders
35 or beneficiaries of the applicant in proportion to
36 their pro rata share of the income of such entity.
37 The applicant shall, in the application made under
38 this section, identify its equity holders or
39 beneficiaries, and the percentage of such entity's
40 income that is allocable to each equity holder or
41 beneficiary. If the tax credit application is filed
42 by a partnership, limited liability company, S
43 corporation, estate, trust, or other reporting entity,
44 all of whose income is taxed directly to its equity
45 holders or beneficiaries for the taxes imposed under
46 chapter 422, division V, or under chapter 432, the tax
47 credit certificate shall be issued directly to the
48 partnership, limited liability company, S corporation,
49 estate, trust, or other reporting entity.
50 6. The department shall not issue a tax credit

1 certificate if the facility approved by the board as a
2 qualified facility is not operational within eighteen
3 months after the approval is issued.
4 7. Once a tax credit certificate is issued
5 pursuant to this section, the tax credit may only be
6 claimed against the type of tax reflected on the
7 certificate.
8 8. A tax credit certificate shall not be used or
9 attached to a return filed for a taxable year
10 beginning prior to July 1, 2006.
11 Sec. ___. Section 476B.7, unnumbered paragraph 1,
12 Code 2005, is amended to read as follows:
13 Wind energy production tax credit certificates
14 issued under this chapter may be transferred to any
15 person or entity. Within thirty days of transfer, the
16 transferee must submit the transferred tax credit
17 certificate to the ~~board~~ department along with a
18 statement containing the transferee's name, tax
19 identification number, and address, and the
20 denomination that each replacement tax credit
21 certificate is to carry and any other information
22 required by the department. Within thirty days of
23 receiving the transferred tax credit certificate and
24 the transferee's statement, the ~~board~~ department shall
25 issue one or more replacement tax credit certificates
26 to the transferee. Each replacement certificate must
27 contain the information required under section 476B.6
28 and must have the same effective taxable year and the
29 same expiration date that appeared in the transferred
30 tax credit certificate. Tax credit certificate
31 amounts of less than the minimum amount established by
32 rule of the board shall not be transferable. A tax
33 credit shall not be claimed by a transferee under this
34 chapter until a replacement tax credit certificate
35 identifying the transferee as the proper holder has
36 been issued.
37 Sec. ___. Section 476B.8, Code 2005, is amended to
38 read as follows:
39 476B.8 USE OF TAX CREDIT CERTIFICATES.
40 To claim a wind energy production tax credit under
41 this chapter, a taxpayer must attach one or more tax
42 credit certificates to the taxpayer's tax return. A
43 tax credit certificate shall not be used or attached
44 to a return filed for a taxable year beginning prior
45 to July 1, ~~2005~~ 2006. The tax credit certificate or
46 certificates attached to the taxpayer's tax return
47 shall be issued in the taxpayer's name, expire on or
48 after the last day of the taxable year for which the
49 taxpayer is claiming the tax credit, and show a tax
50 credit amount equal to or greater than the tax credit

1 claimed on the taxpayer's tax return. Any tax credit
2 in excess of the taxpayer's tax liability for the
3 taxable year may be credited to the taxpayer's tax
4 liability for the following seven taxable years or
5 until depleted, whichever is the earlier.
6 Sec. ___. Section 476B.9, Code 2005, is amended to
7 read as follows:
8 476B.9 REGISTRATION OF TAX CREDIT CERTIFICATES.
9 The ~~board shall, in conjunction with the~~
10 department~~,~~ shall develop a system for the
11 registration of the wind energy production tax credit
12 certificates issued or transferred under this chapter
13 and a system that permits verification that any tax
14 credit claimed on a tax return is valid and that
15 transfers of the tax credit certificates are made in
16 accordance with the requirements of this chapter. The
17 tax credit certificates issued under this chapter
18 shall not be classified as a security pursuant to
19 chapter 502.
20 Sec. ___. NEW SECTION. 476B.10 RULES.
21 The department and the board may adopt rules
22 pursuant to chapter 17A for the administration and
23 enforcement of this chapter."
24 ___. Page 48, by inserting after line 26, the
25 following:
26 "DIVISION
27 PROVISIONS RELATING TO THE PRACTICE OF PHARMACY
28 Sec. ___. Section 155A.3, subsection 11, Code
29 2005, is amended to read as follows:
30 11. "Dispense" means to deliver a prescription
31 drug, device, or controlled substance to an ultimate
32 user or research subject by or pursuant to the lawful
33 prescription drug order or medication order of a
34 practitioner, including the prescribing,
35 administering, packaging, labeling, or compounding
36 necessary to prepare the substance for that delivery.
37 Sec. ___. Section 155A.3, Code 2005, is amended by
38 adding the following new subsection:
39 NEW SUBSECTION. 22A. "Logistics provider" means
40 an entity that provides or coordinates warehousing,
41 distribution, or other services on behalf of a
42 manufacturer or other owner of a drug, but does not
43 take title to the drug or have general responsibility
44 to direct its sale or other disposition.
45 Sec. ___. Section 155A.3, Code 2005, is amended by
46 adding the following new subsection:
47 NEW SUBSECTION. 23A. "Pedigree" means a recording
48 of each distribution of any given drug or device, from
49 the sale by the manufacturer through acquisition and
50 sale by any wholesaler, pursuant to rules adopted by

1 the board.
2 Sec. ___. Section 155A.3, subsection 33, paragraph
3 b, Code 2005, is amended to read as follows:
4 b. A drug or device that under federal law is
5 required, prior to being dispensed or delivered, to be
6 labeled with ~~either~~ one of the following statements:
7 (1) Caution: Federal law prohibits dispensing
8 without a prescription.
9 (2) Caution: Federal law restricts this drug to
10 use by or on the order of a licensed veterinarian.
11 (3) Caution: Federal law restricts this device to
12 sale by, or on the order of, a physician.
13 (4) Rx only.
14 Sec. ___. Section 155A.3, subsection 35, Code
15 2005, is amended to read as follows:
16 35. "Proprietary medicine" or "over-the-counter
17 medicine" means a nonnarcotic drug or device that may
18 be sold without a prescription and that is labeled and
19 packaged in compliance with applicable state or
20 federal law.
21 Sec. ___. Section 155A.3, subsection 38, Code
22 2005, is amended to read as follows:
23 38. "Wholesaler" means a person operating or
24 maintaining, either within or outside this state, a
25 manufacturing plant, wholesale distribution center,
26 wholesale business, or any other business in which
27 prescription drugs or devices, medicinal chemicals,
28 medicines, or poisons are sold, manufactured,
29 compounded, dispensed, stocked, exposed, distributed
30 from, or offered for sale at wholesale in this state.
31 "Wholesaler" does not include those wholesalers who
32 sell only proprietary or over-the-counter medicines.
33 "Wholesaler" also does not include a commercial
34 carrier that temporarily stores prescription drugs or
35 devices, medicinal chemicals, medicines, or poisons
36 while in transit.
37 Sec. ___. Section 155A.4, subsection 2, paragraph
38 a, Code 2005, is amended to read as follows:
39 a. A ~~manufacturer or~~ wholesaler to distribute
40 prescription drugs or devices as provided by state or
41 federal law.
42 Sec. ___. Section 155A.13, subsection 6,
43 unnumbered paragraph 1, Code 2005, is amended to read
44 as follows:
45 To qualify for a pharmacy license, the applicant
46 shall submit to the board a license fee as determined
47 by the board and a completed application on a form
48 prescribed by the board ~~that shall include the~~
49 ~~following information and~~. The application shall
50 include the following and such other information as

1 required by rules of the board and shall be given
2 under oath:
3 Sec. ___. Section 155A.17, subsection 2, Code
4 2005, is amended to read as follows:
5 2. The board shall establish standards for drug
6 wholesaler licensure and may define specific types of
7 wholesaler licenses. The board may deny, suspend, or
8 revoke a drug wholesale license for failure to meet
9 the applicable standards or for a violation of the
10 laws of this state, another state, or the United
11 States relating to prescription drugs, devices, or
12 controlled substances, or for a violation of this
13 chapter, chapter 124, 124A, 124B, 126, or 205, or a
14 rule of the board.
15 Sec. ___. Section 155A.17, subsection 3, Code
16 2005, is amended to read as follows:
17 3. The board shall adopt rules pursuant to chapter
18 17A on matters pertaining to the issuance of a
19 wholesale drug license. The rules shall provide for
20 conditions of licensure, compliance standards,
21 licensure fees, disciplinary action, and other
22 relevant matters. Additionally, the rules shall
23 establish provisions or exceptions for pharmacies,
24 chain pharmacy distribution centers, logistics
25 providers, and other types of wholesalers relating to
26 pedigree requirements, drug or device returns, and
27 other related matters, so as not to prevent or
28 interfere with usual, customary, and necessary
29 business activities.
30 Sec. ___. Section 155A.19, subsection 1, paragraph
31 f, Code 2005, is amended by striking the paragraph and
32 inserting in lieu thereof the following:
33 f. Change of legal name or doing-business-as name.
34 Sec. ___. Section 155A.19, Code 2005, is amended
35 by adding the following new subsection:
36 NEW SUBSECTION. 3. A wholesaler shall report in
37 writing to the board, pursuant to its rules, the
38 following:
39 a. Permanent closing or discontinuation of
40 wholesale distributions into this state.
41 b. Change of ownership.
42 c. Change of location.
43 d. Change of the wholesaler's responsible
44 individual.
45 e. Change of legal name or doing-business-as name.
46 f. Theft or significant loss of any controlled
47 substance on discovery of the theft or loss.
48 g. Disasters, accidents, and emergencies that may
49 affect the strength, purity, or labeling of drugs,
50 medications, devices, or other materials used in the

1 diagnosis or the treatment of injury, illness, and
2 disease.
3 h. Other information or activities as required by
4 rule.
5 Sec. ___. Section 155A.20, subsection 1, Code
6 2005, is amended to read as follows:
7 1. A person, other than a pharmacy or wholesaler
8 licensed under this chapter, shall not display in or
9 on any store, internet site, or place of business, nor
10 use in any advertising or promotional literature,
11 communication, or representation, the word or words:
12 "apothecary", "drug", "drug store", or "pharmacy",
13 either in English or any other language, any other
14 word or combination of words of the same or similar
15 meaning, or any graphic representation in a manner
16 that would mislead the public ~~unless it is a pharmacy~~
17 ~~or drug wholesaler licensed under this chapter~~.
18 Sec. ___. Section 155A.21, Code 2005, is amended
19 to read as follows:
20 155A.21 UNLAWFUL POSSESSION OF PRESCRIPTION DRUG
21 OR DEVICE -- PENALTY.
22 1. A person found in possession of a drug or
23 device limited to dispensation by prescription, unless
24 the drug or device was so lawfully dispensed, commits
25 a serious misdemeanor.
26 2. Subsection 1 does not apply to a licensed
27 pharmacy, licensed wholesaler, physician,
28 veterinarian, dentist, podiatric physician,
29 therapeutically certified optometrist, advanced
30 registered nurse practitioner, physician assistant, a
31 nurse acting under the direction of a physician, or
32 the board of pharmacy examiners, its officers, agents,
33 inspectors, and representatives, nor to a common
34 carrier, manufacturer's representative, or messenger
35 when transporting the drug or device in the same
36 unbroken package in which the drug or device was
37 delivered to that person for transportation.
38 Sec. ___. Section 155A.23, Code 2005, is amended
39 to read as follows:
40 155A.23 PROHIBITED ACTS.
41 A person shall not perform or cause the performance
42 of or aid and abet any of the following acts:
43 1. ~~Obtain or attempt~~ Obtaining or attempting to
44 obtain a prescription drug or device or ~~procure or~~
45 ~~attempt~~ procuring or attempting to procure the
46 administration of a prescription drug or device by:
47 a. ~~Fraud~~ Engaging in fraud, deceit,
48 misrepresentation, or subterfuge.
49 b. ~~Forgery or alteration of~~ Forging or altering a
50 written, electronic, or facsimile prescription or ~~of~~

any written, electronic, or facsimile order.

c. ~~Concealment of~~ Concealing a material fact.

d. ~~Use of~~ Using a false name or ~~the~~ giving ~~of~~ a false address.

2. Willfully ~~make~~ making a false statement in any prescription, report, or record required by this chapter.

3. For the purpose of obtaining a prescription drug or device, falsely ~~assume~~ assuming the title of or ~~claim~~ claiming to be a manufacturer, wholesaler, pharmacist, pharmacy owner, physician, dentist, podiatric physician, veterinarian, or other authorized person.

4. ~~Make or utter~~ Making or uttering any false or forged oral, written, electronic, or facsimile prescription or oral, written, electronic, or facsimile order.

5. ~~Affix any false or forged label to a package or receptacle containing prescription drugs~~ Forging, counterfeiting, simulating, or falsely representing any drug or device without the authority of the manufacturer, or using any mark, stamp, tag, label, or other identification device without the authorization of the manufacturer.

6. Manufacturing, repackaging, selling, delivering, or holding or offering for sale any drug or device that is adulterated, misbranded, counterfeit, suspected of being counterfeit, or that has otherwise been rendered unfit for distribution.

7. Adulterating, misbranding, or counterfeiting any drug or device.

8. Receiving any drug or device that is adulterated, misbranded, stolen, obtained by fraud or deceit, counterfeit, or suspected of being counterfeit, and delivering or proffering delivery of such drug or device for pay or otherwise.

9. Adulterating, mutilating, destroying, obliterating, or removing the whole or any part of the labeling of a drug or device or committing any other act with respect to a drug or device that results in the drug or device being misbranded.

10. Purchasing or receiving a drug or device from a person who is not licensed to distribute the drug or device to that purchaser or recipient.

11. Selling or transferring a drug or device to a person who is not authorized under the law of the jurisdiction in which the person receives the drug or device to purchase or possess the drug or device from the person selling or transferring the drug or device.

12. Failing to maintain or provide records as

1 required by this chapter, chapter 124, or rules of the
2 board.
3 13. Providing the board or any of its
4 representatives or any state or federal official with
5 false or fraudulent records or making false or
6 fraudulent statements regarding any matter within the
7 scope of this chapter, chapter 124, or rules of the
8 board.
9 14. Distributing at wholesale any drug or device
10 that meets any of the following conditions:
11 a. The drug or device was purchased by a public or
12 private hospital or other health care entity.
13 b. The drug or device was donated or supplied at a
14 reduced price to a charitable organization.
15 c. The drug or device was purchased from a person
16 not licensed to distribute the drug or device.
17 d. The drug or device was stolen or obtained by
18 fraud or deceit.
19 15. Failing to obtain a license or operating
20 without a valid license when a license is required
21 pursuant to this chapter or chapter 147.
22 16. Engaging in misrepresentation or fraud in the
23 distribution of a drug or device.
24 17. Distributing a drug or device to a patient
25 without a prescription drug order or medication order
26 from a practitioner licensed by law to use or
27 prescribe the drug or device.
28 18. Distributing a drug or device that was
29 previously dispensed by a pharmacy or distributed by a
30 practitioner except as provided by rules of the board.
31 19. Failing to report any prohibited act.
32 Information communicated to a physician in an
33 unlawful effort to procure a prescription drug or
34 device or to procure the administration of a
35 prescription drug shall not be deemed a privileged
36 communication.
37 Subsections 6 and 7 shall not apply to the
38 wholesale distribution by a manufacturer of a
39 prescription drug or device that has been delivered
40 into commerce pursuant to an application approved by
41 the federal food and drug administration.
42 Sec. ___. Section 155A.24, Code 2005, is amended
43 to read as follows:
44 155A.24 PENALTIES.
45 1. ~~A~~ Except as otherwise provided in this section,
46 a person who violates a provision of section 155A.23
47 or who sells or offers for sale, gives away, or
48 administers to another person any prescription drug or
49 device in violation of this chapter commits a public
50 offense and shall be punished as follows:

1 a. If the prescription drug is a controlled
2 substance, the person shall be punished pursuant to
3 ~~section 124.401, subsection 1, and section 124.411~~
4 chapter 124, division IV.
5 b. If the prescription drug is not a controlled
6 substance, the person, upon conviction of a first
7 offense, is guilty of a serious misdemeanor. For a
8 second offense, or if in case of a first offense the
9 offender previously has been convicted of any
10 violation of the laws of the United States or of any
11 state, territory, or district thereof relating to
12 prescription drugs or devices, the offender is guilty
13 of an aggravated misdemeanor. For a third or
14 subsequent offense or if in the case of a second
15 offense the offender previously has been convicted two
16 or more times in the aggregate of any violation of the
17 laws of the United States or of any state, territory,
18 or district thereof relating to prescription drugs or
19 devices, the offender is guilty of a class "D" felony.
20 2. A person who violates any provision of this
21 chapter by selling, giving away, or administering any
22 prescription drug or device to a minor is guilty of a
23 class "C" felony.
24 3. A wholesaler who, with intent to defraud or
25 deceive, fails to deliver to another person, when
26 required by rules of the board, complete and accurate
27 pedigree concerning a drug prior to transferring the
28 drug to another person is guilty of a class "C"
29 felony.
30 4. A wholesaler who, with intent to defraud or
31 deceive, fails to acquire, when required by rules of
32 the board, complete and accurate pedigree concerning a
33 drug prior to obtaining the drug from another person
34 is guilty of a class "C" felony.
35 5. A wholesaler who knowingly destroys, alters,
36 conceals, or fails to maintain, as required by rules
37 of the board, complete and accurate pedigree
38 concerning any drug in the person's possession is
39 guilty of a class "C" felony.
40 6. A wholesaler who is in possession of pedigree
41 documents required by rules of the board, and who
42 knowingly fails to authenticate the matters contained
43 in the documents as required, and who nevertheless
44 distributes or attempts to further distribute drugs is
45 guilty of a class "C" felony.
46 7. A wholesaler who, with intent to defraud or
47 deceive, falsely swears or certifies that the person
48 has authenticated any documents related to the
49 wholesale distribution of drugs or devices is guilty
50 of a class "C" felony.

8. A wholesaler who knowingly forges, counterfeits, or falsely creates any pedigree, who falsely represents any factual matter contained in any pedigree, or who knowingly omits to record material information required to be recorded in a pedigree is guilty of a class "C" felony.

9. A wholesaler who knowingly purchases or receives drugs or devices from a person not authorized to distribute drugs or devices in wholesale distribution is guilty of a class "C" felony.

10. A wholesaler who knowingly sells, barters, brokers, or transfers a drug or device to a person not authorized to purchase the drug or device under the jurisdiction in which the person receives the drug or device in a wholesale distribution is guilty of a class "C" felony.

11. A person who knowingly manufacturers, sells, or delivers, or who possesses with intent to sell or deliver, a counterfeit, misbranded, or adulterated drug or device is guilty of the following:

a. If the person manufactures or produces a counterfeit, misbranded, or adulterated drug or device; or if the quantity of a counterfeit, misbranded, or adulterated drug or device being sold, delivered, or possessed with intent to sell or deliver exceeds one thousand units or dosages; or if the violation is a third or subsequent violation of this subsection, the person is guilty of a class "C" felony.

b. If the quantity of a counterfeit, misbranded, or adulterated drug or device being sold, delivered, or possessed with intent to sell or deliver exceeds one hundred units or dosages but does not exceed one thousand units or dosages; or if the violation is a second or subsequent violation of this subsection, the person is guilty of a class "D" felony.

c. All other violations of this subsection shall constitute an aggravated misdemeanor.

12. A person who knowingly forges, counterfeits, or falsely creates any label for a drug or device or who falsely represents any factual matter contained on any label of a drug or device is guilty of a class "C" felony.

13. A person who knowingly possesses, purchases, or brings into the state a counterfeit, misbranded, or adulterated drug or device is guilty of the following:

a. If the quantity of a counterfeit, misbranded, or adulterated drug or device being possessed, purchased, or brought into the state exceeds one hundred units or dosages; or if the violation is a

1 second or subsequent violation of this subsection, the
2 person is guilty of a class "D" felony.
3 b. All other violations of this subsection shall
4 constitute an aggravated misdemeanor.
5 14. This section does not prevent a licensed
6 practitioner of medicine, dentistry, podiatry,
7 nursing, veterinary medicine, optometry, or pharmacy
8 from acts necessary in the ethical and legal
9 performance of the practitioner's profession.
10 15. Subsections 1 and 2 shall not apply to a
11 parent or legal guardian administering, in good faith,
12 a prescription drug or device to a child of the parent
13 or a child for whom the individual is designated a
14 legal guardian.
15 Sec. ___. NEW SECTION. 155A.40 CRIMINAL HISTORY
16 RECORD CHECKS.
17 1. The board may request and obtain,
18 notwithstanding section 692.2, subsection 5, criminal
19 history data for any applicant for an initial or
20 renewal license or registration issued pursuant to
21 this chapter or chapter 147, any applicant for
22 reinstatement of a license or registration issued
23 pursuant to this chapter or chapter 147, or any
24 licensee or registrant who is being monitored as a
25 result of a board order or agreement resolving an
26 administrative disciplinary action, for the purpose of
27 evaluating the applicant's, licensee's, or
28 registrant's eligibility for licensure, registration,
29 or suitability for continued practice of the
30 profession. Criminal history data may be requested
31 for all owners, managers, and principal employees of a
32 pharmacy or drug wholesaler licensed pursuant to this
33 chapter. The board shall adopt rules pursuant to
34 chapter 17A to implement this section. The board
35 shall inform the applicant, licensee, or registrant of
36 the criminal history requirement and obtain a signed
37 waiver from the applicant, licensee, or registrant
38 prior to submitting a criminal history data request.
39 2. A request for criminal history data shall be
40 submitted to the department of public safety, division
41 of criminal investigation and bureau of
42 identification, pursuant to section 692.2, subsection
43 1. The board may also require such applicants,
44 licensees, and registrants to provide a full set of
45 fingerprints, in a form and manner prescribed by the
46 board. Such fingerprints may be submitted to the
47 federal bureau of investigation through the state
48 criminal history repository for a national criminal
49 history check. The board may authorize alternate
50 methods or sources for obtaining criminal history

1 record information. The board may, in addition to any
2 other fees, charge and collect such amounts as may be
3 incurred by the board, the department of public
4 safety, or the federal bureau of investigation in
5 obtaining criminal history information. Amounts
6 collected shall be considered repayment receipts as
7 defined in section 8.2.
8 3. Criminal history information relating to an
9 applicant, licensee, or registrant obtained by the
10 board pursuant to this section is confidential. The
11 board may, however, use such information in a license
12 or registration denial proceeding. In a disciplinary
13 proceeding, such information shall constitute
14 investigative information under section 272C.6,
15 subsection 4, and may be used only for purposes
16 consistent with that section.
17 4. This section shall not apply to a manufacturer
18 of a prescription drug or device that has been
19 delivered into commerce pursuant to an application
20 approved by the federal food and drug administration.
21 Sec. ___. NEW SECTION. 155A.41 CONTINUOUS
22 QUALITY IMPROVEMENT PROGRAM.
23 1. Each licensed pharmacy shall implement or
24 participate in a continuous quality improvement
25 program to review pharmacy procedures in order to
26 identify methods for addressing pharmacy medication
27 errors and for improving patient use of medications
28 and patient care services. Under the program, each
29 pharmacy shall assess its practices and identify areas
30 for quality improvement.
31 2. The board shall adopt rules for the
32 administration of a continuous quality improvement
33 program. The rules shall address all of the
34 following:
35 a. Program requirements and procedures.
36 b. Program record and reporting requirements.
37 c. Any other provisions necessary for the
38 administration of a program."
39 ___. Title page, line 1, by inserting after the
40 word "Act" the following: "relating to state and
41 local finances by providing for tax exemptions,
42 credits, tax credit transfers, and other tax-related
43 matters and by".
44 ___. Title page, line 2, by inserting after the
45 word "fees," the following: "providing for wind
46 energy production tax credits,".
47 ___. Title page, line 2, by inserting after the
48 word "matters" the following: "and penalties"."
49 11. By renumbering, relettering, or redesignating
50 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

**S-3330** FILED MAY 20, 2005
CONCURRED

THOMAS J. VILSACK
GOVERNOR

# OFFICE OF THE GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

June 16, 2005

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit **House File 882**, an Act relating to state and local finances by providing for tax exemptions, credits, tax credit transfers, and other tax-related matters and by making, reducing, and transferring appropriations, providing for fees, providing for wind energy production tax credits, and providing for properly related matters and penalties and including effective and retroactive applicability date provisions.

House File 882 is approved on this date, with the following exceptions, which I hereby disapprove:

I am unable to approve the item designated as Section 65 in its entirety. This section provides a sales tax exemption for construction of residential treatment facilities and is expected to impact two facilities currently under development. Both facilities are receiving a $250,000 direct state appropriation through House File 875, and I support and approved the state appropriation for construction of both facilities. However, I do not support providing special tax status to two specific projects. This represents bad tax policy and creates a fairness issue with the thousands of other non-profit organizations with equally worthy missions throughout Iowa.

I am unable to approve the item designated as Section 81 in its entirety. This section provides the effective date for the sales tax exemption contained in Section 65, which is vetoed. Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 94, subsection b, in its entirety. The expansion of the good cause definition for late open enrollment applications was intended to accompany a change to move the authority for determining good cause to the resident district. This bill does not make the change back to the resident district thereby creating a situation that open enrollment decisions may not be based on the best interest of the student. My administration is committed to working with legislators and stakeholders during the next legislative session to ensure changes to this policy will positively impact all constituents.

I am unable to approve the item designated as Section 106 in its entirety. This section is contingent upon enactment of House File 770, which was vetoed. Therefore, this section is unnecessary.

STATE CAPITOL DES MOINES, IOWA 50319 515 281-5211 FAX 515-281-6611

I am unable to approve the item designated as Section 143 in its entirety. This section makes the effective date of Section 106 contingent upon enactment of House File 770, which was vetoed. Therefore, this section is unnecessary.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in **House File 882** are hereby approved this date.

Sincerely,

Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House

HOUSE FILE 882

AN ACT

RELATING TO STATE AND LOCAL FINANCES BY PROVIDING FOR TAX EXEMPTIONS, CREDITS, TAX CREDIT TRANSFERS, AND OTHER TAX-RELATED MATTERS AND BY MAKING, REDUCING, AND TRANSFERRING APPROPRIATIONS, PROVIDING FOR FEES, PROVIDING FOR WIND ENERGY PRODUCTION TAX CREDITS, AND PROVIDING FOR PROPERLY RELATED MATTERS AND PENALTIES AND INCLUDING EFFECTIVE AND RETROACTIVE APPLICABILITY DATE PROVISIONS.

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

DIVISION I

MH/MR/DD ALLOWED GROWTH FUNDING

Section 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS -- FISCAL YEAR 2006-2007.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B:

..... $ 35,788,041

2. The funding appropriated in this section is the allowed growth factor adjustment for fiscal year 2006-2007, and is allocated as follows:

a. For distribution to counties for fiscal year 2005-2006 in accordance with the formula in section 331.438, subsection



2, paragraph "b":

..... $ 12,000,000

b. For deposit in the per capita expenditure target pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 1:

..... $ 19,361,148

c. For deposit in the risk pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 2:

..... $ 2,000,000

d. For distribution to counties as cost share for county coverage of services to adult persons with brain injury in accordance with the law enacted as a result of the provisions of 2005 Iowa Acts, House File 876, or other law providing for such coverage to commence in the fiscal year beginning July 1, 2006:

..... $ 2,426,893

DIVISION II

STANDING APPROPRIATIONS

Sec. 2. BUDGET PROCESS FOR FISCAL YEAR 2006-2007.

1. For the budget process applicable to the fiscal year beginning July 1, 2006, on or before October 1, 2005, 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. 3. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amounts appropriated from the general fund of the state pursuant to those sections for the following designated purposes shall not exceed the following amounts:

1. For instructional support state aid under section 257.20:

..... $ 14,428,271

2. For at-risk children programs under section 279.51, subsection 1:

..... $ 11,271,000

The amount of any reduction in this subsection shall be prorated among the programs specified in section 279.51, subsection 1, paragraphs "a", "b", and "c".

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

..... $ 8,273,763

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

4. For the educational excellence program under section 294A.25, subsection 1:

..... $ 55,469,053

5. For the state's share of the cost of the peace officers' retirement benefits under section 411.20:

..... $ 2,745,784

6. For payment of livestock production tax credit refunds under section 422.121:

..... $ 1,770,342

Sec. 4. PROPERTY TAX CREDIT FUND -- PAYMENTS IN LIEU OF GENERAL FUND REIMBURSEMENT.



1. Notwithstanding section 8.57, prior to the appropriation and distribution to the cash reserve fund of the surplus existing in the general fund of the state at the conclusion of the fiscal year beginning July 1, 2004, and ending June 30, 2005, pursuant to section 8.57, subsection 1, of that surplus, $159,663,964 is appropriated to the property tax credit fund which shall be created in the office of the treasurer of state to be used for the purposes of this section.

2. Notwithstanding the amount of the standing appropriation from the general fund of the state in the following designated sections and notwithstanding any conflicting provisions or voting requirements of section 8.56, there is appropriated from the property tax credit fund in lieu of the appropriations in the following designated sections for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts for the following designated purposes:

a. For reimbursement for the homestead property tax credit under section 425.1:

..... $102,945,379

b. For reimbursement for the agricultural land and family farm tax credits under sections 425A.1 and 426.1:

..... $ 34,610,183

c. For reimbursement for the military service tax credit under section 426A.1A:

..... $ 2,568,402

d. For implementing the elderly and disabled tax credit and reimbursement pursuant to sections 425.16 through 425.40:

..... $ 19,540,000

If the director determines that the amount of claims for credit for property taxes due plus the amount of claims for reimbursement for rent constituting property taxes paid which are to be paid during the fiscal year may exceed the amount appropriated, the director shall estimate the percentage of the credits and reimbursements which will be funded by the

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Bill history text for HF 882

| DATE MNTH.DA.YR. | ACTION TEXT |
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| By Appropriations. | |
| | A bill for an act relating to state and local finances by providing for tax exemptions, credits, tax credit transfers, and other tax-related matters and by making, reducing, and transferring appropriations, providing for fees, providing for wind energy production tax credits, and providing for properly related matters and penalties and including effective and retroactive applicability date provisions. Effective 07-01-05, with exception of sections 4, 16, 21, 58, 67, 76, 79 and Division VII effective 06-16-05 and section 144 effective 07-01-06. |
| Apr. 28 05 | Introduced, placed on Appropriations calendar. H.J. 1602. |
| Apr. 28 05 | Amendments H-1577, H-1578 filed. H.J. 1652. |
| Apr. 28 05 | Amendments H-1579, H-1580, H-1581, H-1582, H-1583, H-1584, H-1586, H-1588 filed. H.J. 1653. |
| Apr. 28 05 | Amendments H-1591, H-1592, H-1595, H-1597, H-1598, H-1599 filed. H.J. 1654. |
| Apr. 28 05 | Amendments H-1600, H-1601, H-1602, H-1603 filed. H.J. 1655. |
| Apr. 29 05 | Amendment H-1588 adopted. H.J. 1657. |
| Apr. 29 05 | Amendments H-1600, H-1578, H-1583 withdrawn. H.J. 1658. |
| Apr. 29 05 | Amendment H-1598 to H-1591 adopted. H.J. 1661. |
| Apr. 29 05 | Amendment H-1591 as amended, adopted. H.J. 1661. |
| Apr. 29 05 | Amendment H-1592 adopted. H.J. 1662. |
| Apr. 29 05 | Amendment H-1586 withdrawn. H.J. 1662. |
| Apr. 29 05 | Amendment H-1579 adopted. H.J. 1662. |
| Apr. 29 05 | Amendment H-1580 withdrawn. H.J. 1662. |
| Apr. 29 05 | Amendment H-1602 to H-1581 withdrawn. H.J. 1663. |
| Apr. 29 05 | Amendment H-1604 to H-1581 filed, adopted. H.J. 1663. |
| Apr. 29 05 | Amendment H-1601 to H-1581 adopted. H.J. 1663. |
| Apr. 29 05 | Amendments H-1582, H-1599 withdrawn. H.J. 1664. |
| Apr. 29 05 | Amendment H-1607 to H-1603 filed. H.J. 1669. |
| Apr. 29 05 | Amendment H-1607 to H-1603 lost. H.J. 1670. |
| Apr. 29 05 | Amendment H-1605 to H-1603 filed. H.J. 1670. |
| Apr. 29 05 | Amendment H-1605 to H-1603 lost. H.J. 1671. |
| Apr. 29 05 | Amendment H-1606 to H-1603 filed. H.J. 1671. |
| Apr. 29 05 | Amendment H-1606 to H-1603 lost. H.J. 1672. |
| Apr. 29 05 | Amendment H-1608 to H-1603 filed. H.J. 1673. |
| Apr. 29 05 | Amendment H-1608 to H-1603 lost. H.J. 1674. |
| Apr. 29 05 | Amendment H-1609 to H-1603 filed. H.J. 1674. |
| Apr. 29 05 | Amendment H-1609 to H-1603 lost. H.J. 1675. |
| Apr. 29 05 | Amendment H-1616 to H-1603 filed. H.J. 1676. |
| Apr. 29 05 | Amendment H-1616 to H-1603 lost. H.J. 1677. |
| Apr. 29 05 | Amendment H-1615 to H-1603 filed. H.J. 1677. |
| Apr. 29 05 | Amendment H-1615 to H-1603 lost. H.J. 1679. |
| Apr. 29 05 | Amendment H-1603 adopted. H.J. 1680. |
| Apr. 29 05 | Amendment H-1595 out of order. H.J. 1680. |
| Apr. 29 05 | Amendment H-1577 lost. H.J. 1680. |
| Apr. 29 05 | Amendment H-1597 lost. H.J. 1681. |
| Apr. 29 05 | Amendment H-1618 filed. H.J. 1681. |
| Apr. 29 05 | Amendment H-1618 lost. H.J. 1682. |
| Apr. 29 05 | Amendment H-1614 filed. H.J. 1683. |
| Apr. 29 05 | Point of order raised H-1614. H.J. 1683. |
| Apr. 29 05 | Ruled not germane H-1614. H.J. 1683. |
| Apr. 29 05 | Amendment H-1620 filed, lost. H.J. 1683. |
| Apr. 29 05 | Amendment H-1584 lost. H.J. 1684. |
| Apr. 29 05 | Amendment H-1612 to H-1581 filed, withdrawn. H.J. 1684. |

Apr. 29 05 Amendment H-1617 to H-1581 filed. H.J. 1684.
Apr. 29 05 Amendment H-1617 to H-1581 adopted. H.J. 1685.
Apr. 29 05 Amendment H-1581 as amended, lost. H.J. 1685.
Apr. 29 05 Amendment H-1610 filed. H.J. 1685.
Apr. 29 05 Amendment H-1610 lost. H.J. 1692.
Apr. 29 05 Amendment H-1619 filed, withdrawn. H.J. 1692.
Apr. 29 05 Amendment H-1621 filed. H.J. 1693.
Apr. 29 05 Amendment H-1621 lost. H.J. 1694.
Apr. 29 05 Amendment H-1622 filed. H.J. 1694.
Apr. 29 05 Point of order raised H-1622. H.J. 1694.
Apr. 29 05 Ruled not germane H-1622. H.J. 1694.
Apr. 29 05 Passed House, ayes 54, nays 45. H.J. 1694.
Apr. 29 05 Immediate message. H.J. 1695.
May 02 05 Message from House. S.J. 1093.
May 02 05 Read first time, referred to Appropriations. S.J. 1093.
May 02 05 Subcommittee, Angelo, Dvorsky, Lamberti, and Warnstadt. S.J. 1099.
May 03 05 Committee report, without recommendation. S.J. 1116.
May 03 05 Amendment S-3235 filed. S.J. 1117.
May 04 05 Amendments S-3249, S-3265 filed. S.J. 1138.
May 05 05 Amendments S-3266, S-3269, S-3270, S-3271 filed. S.J. 1160.
May 05 05 Amendments S-3272, S-3274, S-3275 filed. S.J. 1160.
May 05 05 Amendment S-3282 filed. S.J. 1161.
May 06 05 Amendment S-3315 filed. S.J. 1170.
May 06 05 Amendment S-3306 filed. S.J. 1171.
May 06 05 Amendment S-3316 filed, adopted. S.J. 1171.
May 06 05 Amendment S-3314 filed, lost. S.J. 1171.
May 06 05 Amendment S-3312 filed, lost. S.J. 1171.
May 06 05 Amendment S-3306 as amended, adopted. S.J. 1172.
May 06 05 Amendment S-3235 ruled out of order. S.J. 1172.
May 06 05 Amendment S-3271 adopted. S.J. 1172.
May 06 05 Amendment S-3293 filed, adopted. S.J. 1172.
May 06 05 Amendments S-3249, S-3270 lost. S.J. 1172.
May 06 05 Amendment S-3265 withdrawn. S.J. 1172.
May 06 05 Amendment S-3297 filed, withdrawn. S.J. 1173.
May 06 05 Amendment S-3308 filed, withdrawn. S.J. 1173.
May 06 05 Amendments S-3266, S-3269 withdrawn. S.J. 1173.
May 06 05 Amendment S-3291 filed, withdrawn. S.J. 1173.
May 06 05 Amendment S-3305 filed, withdrawn. S.J. 1173.
May 06 05 Amendment S-3299 filed, lost. S.J. 1173.
May 06 05 Amendment S-3310 filed, withdrawn. S.J. 1173.
May 06 05 Amendment S-3313 filed, withdrawn. S.J. 1173.
May 06 05 Amendment S-3272 adopted. S.J. 1174.
May 06 05 Amendment S-3290 filed, withdrawn. S.J. 1174.
May 06 05 Amendment S-3304 filed, adopted. S.J. 1174.
May 06 05 Amendment S-3274 filed, lost. S.J. 1174.
May 06 05 Amendment S-3275 withdrawn. S.J. 1174.
May 06 05 Amendment S-3282 adopted. S.J. 1174.
May 06 05 Amendment S-3298 filed, withdrawn. S.J. 1174.
May 06 05 Amendment S-3300 filed, withdrawn. S.J. 1175.
May 06 05 Amendment S-3301 filed, lost. S.J. 1175.
May 06 05 Amendment S-3309 filed, adopted. S.J. 1175.
May 06 05 Amendment S-3311 filed, withdrawn. S.J. 1175.
May 06 05 Amendment S-3315 lost. S.J. 1175.
May 06 05 Passed Senate, ayes 39, nays 9. S.J. 1175.
May 06 05 Motion filed to reconsider vote on bill. S.J. 1177.
May 09 05 Motion filed to reconsider vote on bill. S.J. 1180.
May 16 05 Amendment S-3322 filed. S.J. 1194.
May 17 05 Deferred. S.J. 1196.
May 19 05 Motions to reconsider vote withdrawn. S.J. 1199.
May 19 05 Amendment S-3322 ruled out of order. S.J. 1199.
May 19 05 Immediate message. S.J. 1199.

May 19 05 Message from Senate. H.J. 1950.
May 19 05 Senate amendment H-1703 filed. H.J. 1955.
May 20 05 Amendment H-1708 to Senate amendment H-1703 filed. H.J. 2140.
May 20 05 Amendment H-1708 to Senate amendment H-1703 lost. H.J. 2141.
May 20 05 Amendment H-1709 to Senate amendment H-1703 filed, withdrawn. H.J. 2141.
May 20 05 Amendment H-1711 to Senate amendment H-1703 filed. H.J. 2141.
May 20 05 Amendment H-1712 to H-1711 filed. H.J. 2188.
May 20 05 Amendment H-1712 to H-1711 adopted. H.J. 2189.
May 20 05 Amendment H-1711 to Senate amendment H-1703 adopted. H.J. 2189.
May 20 05 Asked and recieved unanimous consent to reconsider vote on amendmen H-1711. H.J. 2189.
May 20 05 Amendment H-1713 to H-1711 filed, lost. H.J. 2189.
May 20 05 Amendment H-1714 to H-1711 filed, adopted. H.J. 2190.
May 20 05 Amendment H-1711 to Senate amendment H-1703 as amended, adopted. H.J. 2190.
May 20 05 House concurred H-1703 as House amended. H.J. 2190.
May 20 05 Passed House, ayes 96, nays 2. H.J. 2190.
May 20 05 Immediate message. H.J. 2191.
May 20 05 Senate concurred with S-3330. S.J. 1228.
May 20 05 Passed Senate, ayes 40, nays 8. S.J. 1229.
May 20 05 Immediate message. S.J. 1229.
May 20 05 Message from Senate. H.J. 2221.
May 20 05 Reported correctly enrolled, signed by Speaker and President. H.J. 2228.
May 20 05 Sent to Governor. H.J. 2228.
Jun. 16 05 Item veto. H.J. 2249.
Jun. 16 05 Signed by Governor. H.J. 2250.

* * * * * END OF 2005 ACTIONS * * * * *

appropriation. The county treasurer shall notify the director of the amount of property tax credits claimed by June 8. The director shall estimate the percentage of the property tax credit and rent reimbursement claims that will be funded by the appropriation and notify the county treasurer of the percentage estimate by June 15. The estimated percentage shall be used in computing for each claim the amount of property tax credit and reimbursement for rent constituting property taxes paid for that fiscal year. If the director overestimates the percentage of funding, claims for reimbursement for rent constituting property taxes paid shall be paid until they can no longer be paid at the estimated percentage of funding. Rent reimbursement claims filed after that point in time shall receive priority and shall be paid in the following fiscal year. If the director underestimates the percentage of funding, the overage shall remain in the fund established in section 425.39 for payments to be made in the next fiscal year.

Sec. 5. Section 8.8, Code 2005, 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 ~~thirty~~ fifty thousand dollars for distribution to one or more organizations which administer special olympics programs benefiting the citizens of Iowa with disabilities.

Sec. 6. Section 257.35, subsection 4, Code 2005, is amended to read as follows:

4. 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, ~~2004~~ 2005, shall be reduced by the department of management by eleven million seven hundred



ninety-eight thousand seven hundred three dollars. The reduction for each area education agency shall be equal to the reduction that the agency received in the fiscal year beginning July 1, 2003.

Sec. 7. CASH RESERVE APPROPRIATION FOR FY 2005-2006. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the appropriation to the cash reserve fund provided in section 8.57, subsection 1, paragraph "a", shall not be made. However, any surplus in the general fund of the state for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be transferred to the cash reserve fund.

Sec. 8. EFFECTIVE DATE. The section of this division of this Act creating the property tax credit fund, being deemed of immediate importance, takes effect upon enactment.

DIVISION III

OTHER APPROPRIATIONS

Sec. 9. DEPARTMENT OF CULTURAL AFFAIRS -- NONPROFIT MUSIC ENTITIES. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, twenty-five thousand dollars for purposes of providing two twelve thousand five hundred dollar grants to nonprofit music entities. A recipient of a grant shall be a nonprofit entity that is formed with members including local musicians, music promoters, representatives of music venues and businesses, community leaders, and live music enthusiasts who discuss, assess, and expedite the implementation of a unified music agenda for a local community and aggressively advocates, sponsors, and develops an independent, progressive live music economy in a local community.

Sec. 10. PKU ASSISTANCE. There is appropriated from the general fund of the state to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For providing grants to individual patients who have phenylketonuria (PKU) to assist with the costs of special food needed:

..... $ 100,000

Sec. 11. HEALTHY IOWANS TOBACCO TRUST -- PKU ASSISTANCE. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For providing grants to individual patients who have phenylketonuria (PKU) to assist with the costs of special food needed:

..... $ 60,000

Sec. 12. ENRICH IOWA LIBRARIES PROGRAM. There is appropriated from the rebuild Iowa infrastructure fund to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary:

To provide resources for structural and technological improvements to local libraries and for the enrich Iowa program, notwithstanding section 8.57, subsection 6, paragraph "c":

..... $ 200,000

Sec. 13. DEPARTMENT OF EDUCATION -- COMMUNITY COLLEGES. There is appropriated from the rebuild Iowa infrastructure fund to the department of education for the designated fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For major renovation and major repair needs, including health, life, and fire safety needs, and for compliance with the federal Americans With Disabilities Act, for state buildings and facilities under the purview of the community colleges:

FY 2006-2007..... $ 2,000,000
FY 2007-2008..... $ 2,000,000
FY 2008-2009..... $ 2,000,000



The moneys appropriated in this section shall be allocated to the community colleges based upon the distribution formula established in section 260C.18C, if enacted by 2005 Iowa Acts, House File 816.

Notwithstanding section 8.33, moneys appropriated in this section shall not revert at the close of the fiscal year for which they were appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2010, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 14. CIVIL AIR PATROL. There is appropriated from the general fund of the state to the homeland security and emergency management division of the department of public safety for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the Iowa civil air patrol:

..... $ 100,000

Sec. 15. HEALTHY IOWANS TOBACCO TRUST -- AIDS DRUG ASSISTANCE PROGRAM. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For additional funding to leverage federal funding through the federal Ryan White Care Act, Title II, AIDS drug assistance program supplemental drug treatment grants:

..... $ 275,000

Sec. 16. GREAT PLACES. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2004, and ending June 30, 2005, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 100,000

Notwithstanding section 8.33, any moneys appropriated in this section 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.

Sec. 17. UNDERGROUND STORAGE TANK FUND -- WATERSHED IMPROVEMENT FUND -- FY 2005-2006. Notwithstanding section 455G.3, subsection 1, there is appropriated from the Iowa comprehensive petroleum underground storage tank fund created in section 455G.3, subsection 1, to the office of the treasurer of state during the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For deposit in the watershed improvement fund created in 2005 Iowa Acts, Senate File 200, if enacted:

..... $ 5,000,000

Moneys in the watershed improvement fund are appropriated for the fiscal year beginning July 1, 2005, and ending June 30, 2006, to fulfill the duties of the watershed improvement review board, if enacted by 2005 Iowa Acts, Senate File 200.

Sec. 18. 2005 Iowa Acts, House File 809, section 2, subsection 1, paragraph a, if enacted, is amended to read as follows:

a. General administration

For salaries, support, maintenance, miscellaneous purposes, programs, for the transfer to the Iowa state commission grant program, and for not more than the following full-time equivalent positions:

..... $ ~~1,956,332~~
1,841,332

..... FTEs 28.75

Sec. 19. 2005 Iowa Acts, House File 862, section 1, subsection 2, paragraph h, unnumbered paragraph 1, and paragraph i, unnumbered paragraph 1, if enacted, are amended to read as follows:



For a grant program to provide substance abuse prevention programming for children:

..... $ ~~400,000~~
200,000

For a grant to a program that utilizes high school mentors to teach life skills, violence prevention, and character education in an effort to reduce the illegal use of alcohol, tobacco, and other substances:

..... $ ~~400,000~~
200,000

Sec. 20. 2005 Iowa Acts, House File 862, section 1, subsection 2, paragraph j, if enacted, is amended to read as follows:

j. For a grant program to provide substance abuse prevention programming, including tobacco use prevention programming, for children:

..... $ ~~800,000~~
400,000

The Iowa department of public health shall utilize a request for proposals process to implement this paragraph "j". A program approved for a grant under paragraph "h" or paragraph "i" shall not be eligible for a grant under this paragraph "j".

Eligible grant applicants shall include, but shall not be limited to, mentoring organizations and organizations that practice and implement nationally accepted standards for mentoring programs.

All grant recipients shall participate in a program evaluation as a requirement for receiving grant funds.

Sec. 21. NATIONAL GOVERNORS ASSOCIATION MEETING. 2004 Iowa Acts, chapter 1175, section 12, subsection 4, as amended by 2005 Iowa Acts, House File 810, if enacted, is amended to read as follows:

4. NATIONAL GOVERNORS ASSOCIATION

For payment of Iowa's membership in the national governors association:

..... $ ~~364,393~~
164,393

Of the funds appropriated in this subsection, ~~$300,000~~ $100,000 is allocated for security-related costs and other expenses associated with the national governors association national meeting. Notwithstanding section 8.33, the moneys allocated for the meeting 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.

Sec. 22. 2005 Iowa Acts, House File 881, section 5, unnumbered paragraph 1, if enacted, is amended to read as follows:

There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies, excluding the state board of regents, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount of ~~$30,500,000~~ 40,900,000, or so much thereof as may be necessary, to fully fund annual pay adjustments, expense reimbursements, and related benefits implemented pursuant to the following:

Sec. 23. 2001 Iowa Acts, chapter 174, section 1, subsection 2, as amended by 2002 Iowa Acts, chapter 1174, section 8, 2003 Iowa Acts, chapter 179, section 38, and 2004 Iowa Acts, chapter 1175, section 270, is amended to read as follows:

2. There is appropriated from the general fund of the state to the endowment for Iowa's health account of the tobacco settlement trust fund created in section 12E.12, for the designated fiscal years, the following amounts, to be used for the purposes specified in section 12E.12 for the endowment for Iowa's health account:

FY 2001-2002 ..... $ 7,248,000
FY 2003-2004 ..... $ 0
FY 2004-2005 ..... $ 0



FY 2005-2006 ..... $ ~~29,562,000~~
0
FY 2006-2007 ..... $ 17,773,000

Sec. 24. Section 8.55, subsection 2, paragraphs b and d, Code 2005, are amended by striking the paragraphs.

Sec. 25. Section 8.55, subsection 2, paragraph c, Code 2005, is amended to read as follows:

c. Notwithstanding paragraph "a", any moneys in excess of the maximum balance in the economic emergency fund after the distribution of the surplus in the general fund of the state at the conclusion of each fiscal year ~~and after the appropriate amount has been transferred pursuant to paragraph "b",~~ shall not be transferred to the general fund of the state but shall be transferred to the senior living trust fund. The total amount transferred, in the aggregate, under this paragraph for all fiscal years shall not exceed one hundred eighteen million dollars.

Sec. 26. Section 256D.5, subsection 4, Code 2005, is amended to read as follows:

4. For each fiscal year of the fiscal ~~year~~ period beginning July 1, 2004, and ending June 30, ~~2005~~ 2006, the sum of twenty-nine million two hundred fifty thousand dollars.

Sec. 27. Section 490A.131, subsection 5, if enacted by 2005 Iowa Acts, House File 859, section 109, is amended to read as follows:

5. The first biennial report shall be delivered to the secretary of state between January 1 and April 1 of the first ~~odd-numbered~~ even-numbered year following the calendar year in which a limited liability company was formed or a foreign limited liability company was authorized to transact business. Subsequent biennial reports must be delivered to the secretary of state between January 1 and April 1 of the following ~~odd-numbered~~ even-numbered calendar years. A filing fee for the biennial report shall be determined by the secretary of state and deposited into the general fund of the state. For purposes of this section, each biennial report shall contain

information related to the two-year period immediately preceding the calendar year in which the report is filed.

Sec. 28. Section 292.4, Code 2005, is repealed.

Sec. 29. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

1. The section of this division of this Act repealing section 292.4, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 2004.

2. The sections of this division of this Act appropriating moneys to the department of cultural affairs for great places and amending 2004 Iowa Acts, chapter 1175, section 12, subsection 4, being deemed of immediate importance, take effect upon enactment.

DIVISION IV

APPROPRIATION REVISIONS

Sec. 30. JOBS FOR AMERICA'S GRADUATES. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For school districts to provide direct services to the most at-risk senior high school students enrolled in school districts through direct intervention by a jobs for America's graduates specialist:

..... $ 400,000

Sec. 31. DEPARTMENT OF ADMINISTRATIVE SERVICES -- FINANCIAL ADMINISTRATION. There is appropriated from the general fund of the state to the department of administrative services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For financial administration duties:

..... $ 200,000

Sec. 32. DEPARTMENT OF MANAGEMENT -- PERFORMANCE AUDITS. There is appropriated from the general fund of the state to



the department of management for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For conducting performance audits and developing performance measures, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 216,000

..... FTEs 2.50

Sec. 33. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY. If 2005 Iowa Acts, House File 810, is enacted and provides for an appropriation from the general fund of the state to the governor's office of drug control policy for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 13,195

Sec. 34. DEPARTMENT OF INSPECTIONS AND APPEALS -- ADMINISTRATION DIVISION. If 2005 Iowa Acts, House File 810, is enacted and provides for an appropriation from the general fund of the state to the department of inspections and appeals, administration division, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 49,000

Sec. 35. DEPARTMENT OF REVENUE -- OPERATIONS. If 2005 Iowa Acts, House File 810, is enacted and provides for an appropriation from the general fund of the state to the department of revenue for operations for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 25,882

Sec. 36. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP -- SOIL AND WATER CONSERVATION DISTRICTS. If 2005 Iowa Acts, House File 808, is enacted and provides for an appropriation from the general fund of the state to the department of

agriculture and land stewardship for purposes of reimbursing commissioners of soil and water conservation districts for expenses, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 50,000

Sec. 37. COLLEGE STUDENT AID COMMISSION. If 2005 Iowa Acts, House File 816, is enacted and provides for an appropriation from the general fund of the state to the college student aid commission for the national guard educational assistance program for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 75,000

Sec. 38. DEPARTMENT OF MANAGEMENT. If 2005 Iowa Acts, House File 816 is enacted and provides for an appropriation from the general fund of the state to the department of management for allocation to the institute for tomorrow's workforce created under chapter 7K, if enacted by 2005 Iowa Acts, House File 816, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 100,000

Sec. 39. IOWA DEPARTMENT OF PUBLIC HEALTH. If 2005 Iowa Acts, House File 825, is enacted and provides for appropriations from the general fund of the state to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, for the following indicated purposes in 2005 Iowa Acts, House File 825, those appropriations are reduced by the following amounts:

1. For environmental hazards:

..... $ 50,000

2. For injuries:

..... $ 50,000

3. For public protection:

..... $ 40,000



Sec. 40. MEDICAL ASSISTANCE APPROPRIATION. If 2005 Iowa Acts, House File 825, is enacted and provides for an appropriation from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, for the medical assistance program, that appropriation is reduced by the following amount:

..... $ 11,353,381

Sec. 41. SENIOR LIVING TRUST FUND APPROPRIATION. If 2005 Iowa Acts, House File 825, is enacted and provides for an appropriation from the senior living trust fund to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, to supplement the medical assistance appropriation, that appropriation is increased by the following amount:

..... $ 9,353,381

Sec. 42. DEPARTMENT OF HUMAN SERVICES. If 2005 Iowa Acts, House File 825, is enacted and provides for appropriations from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, for the following indicated purposes, those appropriations are reduced by the following amounts:

1. For the children's health insurance program:

..... $ 50,000

2. For MI/MR/DD state cases:

..... $ 50,000

Sec. 43. DEPARTMENT OF JUSTICE -- GENERAL OFFICE. If 2005 Iowa Acts, House File 811, is enacted and provides for an appropriation from the general fund of the state to the department of justice for the department's general office, that appropriation is reduced by the following amount:

..... $ 25,000

Sec. 44. DEPARTMENT OF CORRECTIONS. If 2005 Iowa Acts, House File 811, is enacted and provides for an appropriation from the general fund of the state to the department of corrections for offender substance abuse and mental health

treatment for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 100,000

Sec. 45. DEPARTMENT OF PUBLIC SAFETY -- BUILDING SECURITY. If 2005 Iowa Acts, House File 875, is enacted and provides for an appropriation from the general fund of the state to the department of public safety for capitol building and judicial building security for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 25,000

Sec. 46. JUDICIAL BRANCH. If 2005 Iowa Acts, House File 807, is enacted and provides for an appropriation from the general fund of the state to the judicial branch for the fiscal year beginning July 1, 2005, and ending June 30, 2006, that appropriation is reduced by the following amount:

..... $ 50,000

Sec. 47. REGISTERED NURSE RECRUITMENT PROGRAM FUNDS. From the funds appropriated for tuition grants pursuant to section 261.25, subsection 1, for the fiscal year beginning July 1, 2005, up to fifty thousand dollars shall be used to provide forgivable loans as provided in section 261.23 to residents of Iowa who are registered nurses and who are seeking to become qualified as nursing faculty in Iowa and to teach in Iowa schools. To qualify for a forgivable loan pursuant to this section, in addition to the requirements of section 261.23, a person shall be enrolled at a not-for-profit accredited school of nursing that is located in this state.

Sec. 48. HEALTH FACILITIES COUNCIL. If 2005 Iowa Acts, House File 810, is enacted and includes an appropriation from the general fund of the state to the department of inspections and appeals for the health facilities council for the fiscal year beginning July 1, 2005, and ending June 30, 2006, any provision of that appropriation designating the use of $80,000 and a full-time equivalent position for a particular purpose shall not be applied.



Sec. 49. YOUTH ENRICHMENT PILOT PROJECT -- YOUTH LEADERSHIP PROGRAM.

1. Of the funds appropriated in 2005 Iowa Acts, House File 807, if enacted, from the general fund of the state to the judicial branch for purposes of a youth enrichment pilot project, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, $50,000 is transferred to the department of corrections to be used for a youth leadership program in the sixth judicial district department of correctional services in accordance with subsection 2.

2. The moneys transferred pursuant to subsection 1 shall be used by the judicial district department of correctional services to establish or maintain a youth leadership model program to help at-risk youth in the judicial district department of correctional services. As a part of the program, the judicial district department of correctional services may recruit college or high school students in the judicial district to work with at-risk youth. The student workers shall be recruited regardless of gender, be recommended by their respective schools as good role models, including, but not limited to, students who possess capabilities in one or more of the following areas of ability: intellectual capacity, athletic, visual arts, or performing arts.

Sec. 50. CENTER FOR CONGENITAL AND INHERITED DISORDERS CENTRAL REGISTRY. Notwithstanding section 144.13A, subsection 4, paragraph "a", for the fiscal year beginning July 1, 2005, $40,000 of the fees collected by the state registrar that would otherwise be appropriated and used for the center for congenital and inherited disorders central registry established pursuant to section 136A.6 shall be credited to the general fund of the state.

DIVISION V

MISCELLANEOUS STATUTORY CHANGES

Sec. 51. Section 8D.2, subsection 5, paragraph b, Code 2005, is amended to read as follows:

b. For the purposes of this chapter, "public agency" also includes any homeland security or defense facility or disaster response agency established by the administrator of the homeland security and emergency management division of the department of public defense or the governor or any facility connected with a security or defense system or disaster response as required by the administrator of the homeland security and emergency management division of the department of public defense or the governor.

Sec. 52. Section 8D.9, subsection 3, Code 2005, is amended to read as follows:

3. A facility that is considered a public agency pursuant to section 8D.2, subsection 5, paragraph "b", shall be authorized to access the Iowa communications network strictly for homeland security communication purposes and disaster communication purposes. Any utilization of the network that is not related to communications concerning homeland security or a disaster, as defined in section 29C.2, is expressly prohibited. Access under this subsection shall be available only if a state of disaster emergency is proclaimed by the governor pursuant to section 29C.6 or a homeland security or disaster event occurs requiring connection of disparate communications systems between public agencies to provide for a multiagency or multijurisdictional response. Access shall continue only for the period of time the homeland security or disaster event exists. For purposes of this subsection, disaster communication purposes includes training and exercising for a disaster if public notice of the training and exercising session is posted on the website of the homeland security and emergency management division of the department of public defense. A scheduled and noticed training and exercising session shall not exceed five days. Interpretation and application of the provisions of this subsection shall be strictly construed.

Sec. 53. Section 15E.193B, subsection 5, Code 2005, is amended by adding the following new paragraph:



NEW PARAGRAPH. f. If the eligible housing business is a partnership, S corporation, or limited liability company using low-income housing tax credits authorized under section 42 of the Internal Revenue Code to assist in the financing of the housing development, the name of any partner if the business is a partnership, a shareholder if the business is an S corporation, or a member if the business is a limited liability company and the amount designated as allowed under subsection 8.

Sec. 54. Section 15E.193B, subsection 6, paragraph a, Code 2005, is amended to read as follows:

a. An eligible housing business may claim a tax credit up to a maximum of ten percent of the new investment which is directly related to the building or rehabilitating of a minimum of four single-family homes located in that part of a city or county in which there is a designated enterprise zone or one multiple dwelling unit building containing three or more individual dwelling units located in that part of a city or county in which there is a designated enterprise zone. The new investment that may be used to compute the tax credit shall not exceed the new investment used for the first one hundred forty thousand dollars of value for each single-family home or for each unit of a multiple dwelling unit building containing three or more units. The tax credit may be used to reduce the tax liability imposed under chapter 422, division II, III, or V, or chapter 432. Any credit in excess of the tax liability for the tax year may be credited to the tax liability for the following seven years or until depleted, whichever occurs earlier. If the business is a partnership, S corporation, limited liability company, or estate or trust electing to have the income taxed directly to the individual, an individual may claim the tax credit allowed. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings of the partnership, S corporation, limited liability company, or estate or trust except as allowed for under subsection 8 when low-income

housing tax credits authorized under section 42 of the Internal Revenue Code are used to assist in the financing of the housing development.

Sec. 55. Section 15E.193B, subsection 8, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The amount of the tax credits determined pursuant to subsection 6, paragraph "a", for each project shall be approved by the department of economic development. The department shall utilize the financial information required to be provided under subsection 5, paragraph "e", to determine the tax credits allowed for each project. In determining the amount of tax credits to be allowed for a project, the department shall not include the portion of the project cost financed through federal, state, and local government tax credits, grants, and forgivable loans. Upon approving the amount of the tax credit, the department of economic development shall issue a tax credit certificate to the eligible housing business except when low-income housing tax credits authorized under section 42 of the Internal Revenue Code are used to assist in the financing of the housing development in which case the tax credit certificate may be issued to a partner if the business is a partnership, a shareholder if the business is an S corporation, or a member if the business is a limited liability company in the amounts designated by the eligible partnership, S corporation, or limited liability company. An eligible housing business or the designated partner if the business is a partnership, designated shareholder if the business is an S corporation, or designated member if the business is a limited liability company, or transferee shall not claim the tax credit unless a tax credit certificate issued by the department of economic development is attached to the taxpayer's return for the tax year for which the tax credit is claimed. The tax credit certificate shall contain the taxpayer's name, address, tax identification number, the amount of the tax credit, and other information required by the department of revenue. The tax



credit certificate shall be transferable if low-income housing tax credits authorized under section 42 of the Internal Revenue Code are used to assist in the financing of the housing development. Tax credit certificates issued under this chapter may be transferred to any person or entity. Within ninety days of transfer, the transferee must submit the transferred tax credit certificate to the department of economic development along with a statement containing the transferee's name, tax identification number, and address, and the denomination that each replacement tax credit certificate is to carry and any other information required by the department of revenue. Within thirty days of receiving the transferred tax credit certificate and the transferee's statement, the department of economic development shall issue one or more replacement tax credit certificates to the transferee. Each replacement certificate must contain the information required to receive the original certificate and must have the same expiration date that appeared in the transferred tax credit certificate. Tax credit certificate amounts of less than the minimum amount established by rule of the department of economic development shall not be transferable. A tax credit shall not be claimed by a transferee under subsection 6, paragraph "a", until a replacement tax credit certificate identifying the transferee as the proper holder has been issued.

Sec. 56. Section 124.212, subsection 4, paragraph c, as enacted by 2005 Iowa Acts, Senate File 169, section 1, is amended to read as follows:

c. Pseudoephedrine. A person shall present a government-issued photo identification card when purchasing a pseudoephedrine product from a pharmacy. A person shall not purchase more than seven thousand five hundred milligrams of pseudoephedrine, either separately or collectively, within a thirty-day period from a pharmacy, unless the person has a prescription for a pseudoephedrine product in excess of that quantity.

Sec. 57. Section 142A.4, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 23. Approve the content of any materials distributed by the youth program pursuant to section 142A.9, prior to distribution of the materials.

Sec. 58. Section 257.14, subsection 3, unnumbered paragraph 2, Code 2005, is amended by striking the unnumbered paragraph.

Sec. 59. Section 331.439, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 9. The county management plan shall designate at least one hospital licensed under chapter 135B that the county has contracted with to provide services covered under the plan. If the designated hospital does not have a bed available to provide the services, the county is responsible for the cost of covered services provided at an alternate hospital licensed under chapter 135B.

Sec. 60. Section 364.17, subsection 3, paragraph a, Code 2005, is amended to read as follows:

a. A schedule of civil penalties or criminal fines for violations. A city may charge the owner of housing a late payment fee of twenty-five dollars and may add interest of up to one and one-half percent per month if a penalty or fine imposed under this paragraph is not paid within thirty days of the date that the penalty or fine is due. The city shall send a notice of the late payment fee to such owner by first class mail to the owner's personal or business mailing address. The late payment fee and the interest shall not accrue if such owner files an appeal with either the city, if the city has established an appeals procedure, or the district court. Any unpaid penalty, fine, fee, or interest shall constitute a lien on the real property and may be collected in the same manner as a property tax. However, before a lien is filed, the city shall send a notice of intent to file a lien to the owner of the housing by first class mail to such owner's personal or business mailing address.



Sec. 61. Section 364.17, subsection 5, Code 2005, is amended to read as follows:

5. Cities may establish reasonable fees for inspection and enforcement procedures. A city may charge the owner of housing a late payment penalty of twenty-five dollars and may add interest of up to one and one-half percent per month if a fee imposed under this subsection is not paid within thirty days of the date that the fee is due. The city shall send a notice of the late payment penalty to such owner by first class mail to the owner's personal or business mailing address. The late payment penalty and the interest shall not accrue if such owner files an appeal with either the city, if the city has established an appeals procedure, or the district court. Any unpaid fee, penalty, or interest shall constitute a lien on the real property and may be collected in the same manner as a property tax. However, before a lien is filed, the city shall send a notice of intent to file a lien to the owner of the housing by first class mail to such owner's personal or business mailing address.

Sec. 62. Section 384.16, subsection 1, unnumbered paragraph 2, Code 2005, is amended to read as follows:

A budget must show comparisons between the estimated expenditures in each program in the following year ~~and the actual expenditures in each program during the two preceding years~~, the latest estimated expenditures in each program in the current year, and the actual expenditures in each program from the annual report as provided in section 384.22, or as corrected by a subsequent audit report. Wherever practicable, as provided in rules of the committee, a budget must show comparisons between the levels of service provided by each program as estimated for the following year, and actual levels of service provided by each program during the two preceding years.

Sec. 63. Section 384.16, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 7. A city that does not submit a budget in compliance with this section shall have all state funds withheld until a budget that is in compliance with this section is filed with the county auditor and subsequently received by the department of management. The department of management shall send notice to state agencies responsible for disbursement of state funds and that notice is sufficient authorization for those funds to be withheld until later notice is given by the department of management to release those funds.

Sec. 64. Section 422.11D, subsection 2, Code 2005, is amended to read as follows:

2. An individual may claim a property rehabilitation tax credit allowed a partnership, limited liability company, S corporation, estate, or trust electing to have the 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 of a partnership, limited liability company, S corporation, estate, or trust except when low-income housing tax credits authorized under section 42 of the Internal Revenue Code are used to assist in the financing of the housing development in which case the amount claimed by a partner if the business is a partnership, a shareholder if the business is an S corporation, or a member if the business is a limited liability company shall be based on the amounts designated by the eligible partnership, S corporation, or limited liability company.

Sec. 65. Section 423.3, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 29A. The sales price of all goods, wares, or merchandise sold, or of services furnished, which are used in the fulfillment of a written construction contract with a residential treatment facility for youth with emotional or behavioral disorders licensed pursuant to chapter 237 or 135H if all of the following apply:



a. The sales and delivery of the goods, wares, or merchandise, or the services furnished occurred between July 1, 2004, and December 31, 2006.

b. The written construction contract was entered into after December 31, 2003.

c. The sales or services were purchased by a contractor as the agent for the facility or were purchased directly by the facility.

Sec. 66. Section 423E.5, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The board of directors of a school district shall be authorized to issue negotiable, interest-bearing school bonds, without election, and utilize tax receipts derived from the sales and services tax for school infrastructure purposes and the supplemental school infrastructure amount distributed pursuant to section 423E.4, subsection 2, paragraph "b", for principal and interest repayment. Proceeds of the bonds issued pursuant to this section shall be utilized solely for school infrastructure needs as school infrastructure is defined in section 423E.1, subsection 3. Bonds issued under this section may be sold at public ~~or private~~ sale as provided in chapter 75, or at private sale, without notice and hearing as provided in section 73A.12. Bonds may bear dates, bear interest at rates not exceeding that permitted by chapter 74A, mature in one or more installments, be in registered form, carry registration and conversion privileges, be payable as to principal and interest at times and places, be subject to terms of redemption prior to maturity with or without premium, and be in one or more denominations, all as provided by the resolution of the board of directors authorizing their issuance. The resolution may also prescribe additional provisions, terms, conditions, and covenants which the board of directors deems advisable, including provisions for creating and maintaining reserve funds, the issuance of additional bonds ranking on a parity with such bonds and additional bonds junior and subordinate to such bonds, and

that such bonds shall rank on a parity with or be junior and subordinate to any bonds which may be then outstanding. Bonds may be issued to refund outstanding and previously issued bonds under this section. Local option sales and services tax revenue bonds are a contract between the school district and holders, and the resolution issuing the bonds and pledging local option sales and services tax revenues to the payment of principal and interest on the bonds is a part of the contract. Bonds issued pursuant to this section shall not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and shall not be subject to any other law relating to the authorization, issuance, or sale of bonds.

Sec. 67. Section 427.1, subsection 21, Code 2005, is amended to read as follows:

21. LOW-RENT HOUSING. The property owned and operated or controlled by a nonprofit organization, as recognized by the internal revenue service, providing low-rent housing for persons who are elderly and persons with physical and mental disabilities. The exemption granted under the provisions of this subsection shall apply only until the ~~terms~~ final payment due date of the borrower's original low-rent housing development mortgage or until the borrower's original low-rent housing development mortgage is paid in full or expires, whichever is sooner, subject to the provisions of subsection 14. However, if the borrower's original low-rent housing development mortgage is refinanced, the exemption shall apply only until the date that would have been the final payment due date under the terms of the borrower's original low-rent housing development mortgage or until the refinanced mortgage is paid in full or expires, whichever is sooner, subject to the provisions of subsection 14.

Sec. 68. Section 427.1, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 21A. Dwelling unit property owned and managed by a nonprofit organization if the nonprofit



organization owns and manages more than forty dwelling units that are located in a city with a population of more than one hundred ten thousand which has a public housing authority that does not own or manage housing stock for the purpose of low-rent housing.

Sec. 69. Section 427.1, subsection 30, Code 2005, is amended to read as follows:

30. MANUFACTURED HOME COMMUNITY OR MOBILE HOME PARK STORM SHELTER. A structure constructed as a storm shelter at a manufactured home community or mobile home park as defined in section 435.1. An application for this exemption shall be filed with the assessing authority not later than February 1 of the first year for which the exemption is requested, on forms provided by the department of revenue. The application shall describe and locate the storm shelter to be exempted. If the storm shelter structure is used exclusively as a storm shelter, all of the structure's assessed value shall be exempt from taxation. If the storm shelter structure is not used exclusively as a storm shelter, the storm shelter structure shall be assessed for taxation at ~~seventy-five~~ fifty percent of its value as commercial property.

Sec. 70. Section 456A.37, subsection 1, paragraph c, Code 2005, is amended to read as follows:

c. "Aquatic invasive species" means a species that is not native to an ecosystem and whose introduction causes or is likely to cause economic or environmental harm or harm to human health including but not limited to habitat alteration and degradation, and loss of biodiversity. For the purposes of this section, "aquatic invasive species" are limited to Eurasian water milfoil, purple loosestrife, and zebra mussels, ~~except as provided in subsection 4~~ and those species identified as "aquatic invasive species" by the commission by rule.

Sec. 71. Section 456A.37, subsection 4, unnumbered paragraph 2, Code 2005, is amended to read as follows:

c. If the commission determines that an additional species should be defined as an "aquatic invasive species", the species ~~may~~ shall be defined by the commission by rule as an "aquatic invasive species" ~~subject-to-enactment-of-the definition-by-the-general-assembly-at-the-next-regular-session of-the-general-assembly.--Failure-of-the-general-assembly-to enact-the-definition-pursuant-to-this-paragraph-constitutes-a nullification-of-the-definition-effective-upon-adjournment-of that-next-regular-session-of-the-general-assembly.~~

Sec. 72. Section 543B.34, subsection 9, paragraph a, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Paying a commission or other valuable consideration or any part of such commission or consideration for performing any of the acts specified in this chapter to a person who is not a licensed broker or salesperson under this chapter or who is not engaged in the real estate business in another state or foreign country, ~~or-paying-a-commission-or-other-valuable consideration-for-performing-any-of-the-acts-specified-in-this chapter-to-a-licensee-knowing-that-the-licensee-will-pay-a portion-of-or-all-of-such-commission-or-consideration-to-a person-or-party-who-is-not-licensed-pursuant-to-this-chapter,~~ provided that the provisions of this section shall not be construed to prohibit the payment of earned commissions or consideration to any of the following:

Sec. 73. Section 543B.60A, Code 2005, is amended by striking the section and inserting in lieu thereof the following:

543B.60A PROHIBITED PRACTICES.

1. A licensee shall not request a referral fee after a bona fide offer to purchase is accepted.

2. A licensee shall not request a referral fee after a bona fide listing agreement has been signed.

3. A licensee shall not offer, promote, perform, provide, or otherwise participate in any marketing plan that requires a consumer to receive brokerage services, including referral



services, from two or more licensees in a single real estate transaction, as a required condition for the consumer to receive either of the following:

a. Brokerage services from one or more of such licensees.

b. A rebate, prize, or other inducement from one or more such licensees.

4. For purposes of this section, "consumer" shall include parties or prospective parties to a real estate transaction, clients or prospective clients of a licensee, or customers or prospective customers of a licensee.

5. This section does not address relationships between a broker and the broker associates or salepersons licensed under, employed by, or otherwise associated with the broker in a real estate brokerage agency.

6. A violation of this section is deemed a violation of section 543B.29, subsection 3.

7. The purpose of this section is to prohibit licensee practices that interfere with contractual arrangements, place improper restrictions on consumer choice, compromise a licensee's fiduciary obligations, and create conflicts of interest.

Sec. 74. Section 579A.2, subsection 3, paragraph b, Code 2005, is amended to read as follows:

b. The lien terminates one year after the cattle have left the custom cattle feedlot. ~~Section-554.9515-shall-not-apply to-a-financing-statement-perfecting-the-lien.~~ The lien may be terminated by the custom cattle feedlot operator who files a termination statement as provided in chapter 554, article 9.

Sec. 75. Section 579B.4, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. For a lien arising out of producing a crop, the lien becomes effective the day that the crop is first planted. In order to perfect the lien, the contract producer must file a financing statement in the office of the secretary of state as provided in section 554.9308. The contract producer must file a financing statement for the crop within forty-five days

after the crop is first planted. The lien terminates one year after the crop is no longer under the authority of the contract producer. For purposes of this section, a crop is no longer under the authority of the contract producer when the crop or a warehouse receipt issued by a warehouse operator licensed under chapter 203C for grain from the crop is no longer under the custody or control of the contract producer. ~~Section 554.9515 shall not apply to a financing statement perfecting the lien.~~ The lien may be terminated by the contract producer who files a termination statement as provided in chapter 554, article 9.

Sec. 76. Section 602.10110, Code 2005, is amended to read as follows:

602.10110 OATH.

All persons on being admitted to the bar shall take an oath or affirmation, as promulgated by the supreme court, declaring to support the Constitutions of the United States and of the state of Iowa, and to faithfully discharge, according to the best of their ability, the duties of an attorney ~~and counselor of this state according to the best of their ability~~.

Sec. 77. Section 692A.4A, if enacted by 2005 Iowa Acts, House File 619, is amended to read as follows:

692A.4A ELECTRONIC MONITORING.

A person required to register under this chapter who is placed on probation, parole, work release, special sentence, or any other type of conditional release, may be supervised by an electronic tracking and monitoring system in addition to any other conditions of supervision. However, if the person committed a criminal offense against a minor, or an aggravated offense, sexually violent offense, or other relevant offense that involved a minor, the person shall be supervised for a period of at least five years by an electronic tracking and monitoring system in addition to any other conditions of release.

Sec. 78. Section 692A.13A, subsection 1, unnumbered paragraph 1, if enacted by 2005 Iowa Acts, House File 619, is amended to read as follows:



The department of corrections, the department of human services, and the department of public safety shall, in consultation with one another, develop methods and procedures for the assessment of the risk to reoffend for persons newly required to register under this chapter on or after the effective date of this division of this Act, who have committed a criminal offense against a minor, or an aggravated offense, sexually violent offense, or other relevant offense that involved a minor. The department of corrections, in consultation with the department of human services, the department of public safety, and the attorney general, shall adopt rules relating to assessment procedures. The assessment procedures shall include procedures for the sharing of information between the department of corrections, department of human services, the juvenile court, and the division of criminal investigation of the department of public safety, as well as the communication of the results of the risk assessment to criminal and juvenile justice agencies. The assignment of responsibility for the assessment of risk shall be as follows:

Sec. 79. Section 602.10112, Code 2005, is repealed.

Sec. 80. VEHICLE DEALERSHIP STUDY. The legislative council is requested to appoint an interim study committee that will study the motor vehicle licensing law as it pertains to motor vehicle dealerships' moves from one facility and location to another facility and location in the state. A report should be provided to the general assembly by January 15, 2006.

Sec. 81. EFFECTIVE DATE. The section of this division of this Act enacting section 423.3, subsection 29A, being deemed of immediate importance, takes effect upon enactment.

Sec. 82. 2005 Iowa Acts, House File 739, if enacted, is amended by adding the following new section:

NEW SECTION. Sec. ___. EFFECTIVE DATE. The section of this Act amending section 262.9 to establish a research triangle and clearinghouse takes effect July 1, 2006.

Sec. 83. BUDGET GUARANTEE RESOLUTION -- RESOLUTION ADOPTION EXTENSION. Notwithstanding the provisions of section 257.14, subsection 3, unnumbered paragraph 3, a school district that wishes to receive a budget adjustment pursuant to that subsection for the school budget year beginning July 1, 2005, shall have until June 1, 2005, to adopt a resolution to receive the budget adjustment and to notify the department of management of the adoption of the resolution and the amount of the budget adjustment to be received.

Sec. 84. APPLICABILITY PROVISION. The sections of this division of this Act amending section 427.1, subsection 21, and enacting new subsection 21A to section 427.1 shall not be considered property tax exemptions within the meaning of or for the purposes of section 25B.7.

Sec. 85. RETROACTIVE APPLICABILITY DATE. The section of this division of this Act amending section 423E.5, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 2004.

Sec. 86. EFFECTIVE AND APPLICABILITY DATES. The sections of this division of this Act amending section 427.1, subsection 21, and enacting new subsection 21A to section 427.1, being deemed of immediate importance, take effect upon enactment and apply retroactively to January 1, 2005, for assessment years beginning on or after that date.

Sec. 87. APPLICABILITY. Section 25B.7 does not apply to the amendment to section 427.1, subsection 30, in this division of this Act.

Sec. 88. EFFECTIVE DATE. The section of this division of this Act providing an extension of time for adoption of a budget adjustment resolution pursuant to section 257.14, subsection 3, for a budget adjustment for the school budget year beginning July 1, 2005, being deemed of immediate importance, takes effect upon enactment.

Sec. 89. EFFECTIVE DATE. The sections of this division of this Act amending section 602.10110 and repealing section 602.10112, being deemed of immediate importance, take effect



upon enactment.

DIVISION VI

EDUCATION

Sec. 90. Section 11.6, subsection 1, paragraph a, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The financial condition and transactions of all cities and city offices, counties, county hospitals organized under chapters 347 and 347A, memorial hospitals organized under chapter 37, entities organized under chapter 28E having gross receipts in excess of one hundred thousand dollars in a fiscal year, merged areas, area education agencies, and all school offices in school districts, shall be examined at least once each year, except that cities having a population of seven hundred or more but less than two thousand shall be examined at least once every four years, and cities having a population of less than seven hundred may be examined as otherwise provided in this section. The examination shall cover the fiscal year next preceding the year in which the audit is conducted. The examination of school offices shall include an audit of all school funds, the certified annual financial report, and the certified enrollment as provided in section 257.6, and the revenues and expenditures of any nonprofit school organization established pursuant to section 279.60. Differences in certified enrollment shall be reported to the department of management. The examination of a city that owns or operates a municipal utility providing local exchange services pursuant to chapter 476 shall include an audit of the city's compliance with section 388.10. The examination of a city that owns or operates a municipal utility providing telecommunications services pursuant to section 388.10 shall include an audit of the city's compliance with section 388.10.

Sec. 91. Section 256.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 53. Prepare and submit to the chairpersons and ranking members of the senate and house

education committees a report on the state's progress toward closing the achievement gap, including student achievement for minority subgroups, and a comprehensive summary of state agency and local district activities and practices taken in the past year to close the achievement gap.

Sec. 92. NEW SECTION. 279.60 NONPROFIT SCHOOL ORGANIZATIONS.

The board of directors of a school district may take action to adopt a resolution to establish, and authorize expenditures for the operational support of, an entity or organization for the sole benefit of the school district and its students that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code. The entity or organization shall reimburse the school district for expenditures made by the school district on behalf of the entity or organization. Prior to establishing such an entity or organization, the board of directors shall hold a public hearing on the proposal to establish such an entity or organization. Such an entity or organization shall maintain its records in accordance with chapter 22, except that the entity or organization shall provide for the anonymity of a donor at the written request of the donor. The board of directors of a school district shall annually report to the department of education and to the local community the administrative expenditures, revenues, and activities of the entity or organization established by the school district pursuant to this section. The department shall include in its annual condition of education report a statewide summary of the expenditures and revenues submitted in accordance with this section.

Sec. 93. Section 282.18, subsection 2, Code 2005, is amended to read as follows:

2. By ~~January~~ March 1 of the preceding school year for students entering grades one through twelve, or by September 1 of the current school year for students entering kindergarten, the parent or guardian shall send notification to the district of residence and the receiving district, on forms prescribed



by the department of education, that the parent or guardian intends to enroll the parent's or guardian's child in a public school in another school district. If a parent or guardian fails to file a notification that the parent intends to enroll the parent's or guardian's child in a public school in another district by the deadline ~~of January 1 of the previous year~~ specified in this subsection, ~~and one of~~ the ~~criteria defined in~~ procedures of subsection 4 ~~exists for the failure to meet the deadline or if the request is to enroll a child in kindergarten in a public school in another district, the parent or guardian shall be permitted to enroll the child in the other district in the same manner as if the deadline had been met~~ apply.

The board of the receiving district shall enroll the pupil in a school in the receiving district for the following school year unless the receiving district does not have classroom space for the pupil. The board of directors of a receiving district may adopt a policy granting the superintendent of the school district authority to approve open enrollment applications. If the request is granted, the board shall transmit a copy of the form to the parent or guardian and the school district of residence within five days after board action, but not later than ~~March~~ June 1 of the preceding school year. The parent or guardian may withdraw the request at any time prior to the start of the school year. A denial of a request by the board of a receiving district is not subject to appeal.

Sec. 94. Section 282.18, subsection 4, paragraphs a and b, Code 2005, are amended to read as follows:

a. After ~~January~~ March 1 of the preceding school year and until the third Friday in September of that calendar year, the parent or guardian shall send notification to the district of residence and the receiving district, on forms prescribed by the department of education, that good cause, as defined in paragraph "b", exists for failure to meet the ~~January~~ March 1 deadline. The board of directors of a receiving school

district may adopt a policy granting the superintendent of the school district authority to approve open enrollment applications submitted after the March 1 deadline. The board of the receiving district shall take action to approve the request if good cause exists. If the request is granted, the board shall transmit a copy of the form to the parent or guardian and the school district of residence within five days after board action. A denial of a request by the board of a receiving district is not subject to appeal.

b. For purposes of this section, "good cause" means a change in a child's residence due to a change in family residence, a change in the state in which the family residence is located, a change in a child's parents' marital status, a guardianship or custody proceeding, placement in foster care, adoption, participation in a foreign exchange program, or participation in a substance abuse or mental health treatment program, or a similar set of circumstances consistent with the definition of "good cause"; or a change in the status of a child's resident district such as removal of accreditation by the state board, surrender of accreditation, or permanent closure of a nonpublic school, revocation of a charter school contract as provided in section 256F.8, the failure of negotiations for a whole-grade sharing, reorganization, dissolution agreement or the rejection of a current whole-grade sharing agreement, or reorganization plan, or a similar set of circumstances consistent with the definition of "good cause". If the good cause relates to a change in status of a child's school district of residence, however, action by a parent or guardian must be taken to file the notification within forty-five days of the last board action or within thirty days of the certification of the election, whichever is applicable to the circumstances.

Sec. 95. Section 282.18, subsections 5 and 6, Code 2005, are amended to read as follows:

5. Open enrollment applications filed after ~~January~~ March 1 of the preceding school year that do not qualify for good



cause as provided in subsection 4 shall be subject to the approval of the board of the resident district and the board of the receiving district. The parent or guardian shall send notification to the district of residence and the receiving district that the parent or guardian seeks to enroll the parent's or guardian's child in the receiving district. A decision of either board to deny an application filed under this subsection involving repeated acts of harassment of the student or serious health condition of the student that the resident district cannot adequately address is subject to appeal under section 290.1. The state board shall exercise broad discretion to achieve just and equitable results that are in the best interest of the affected child or children.

6. A request under this section is for a period of not less than one year. If the request is for more than one year and the parent or guardian desires to have the pupil enroll in a different district, the parent or guardian may petition the current receiving district by ~~January~~ March 1 of the previous school year for permission to enroll the pupil in a different district for a period of not less than one year. Upon receipt of such a request, the current receiving district board may act on the request to transfer to the other school district at the next regularly scheduled board meeting after the receipt of the request. The new receiving district shall enroll the pupil in a school in the district unless there is insufficient classroom space in the district or unless enrollment of the pupil would adversely affect the court-ordered or voluntary desegregation plan of the district. A denial of a request to change district enrollment within the approved period is not subject to appeal. However, a pupil who has been in attendance in another district under this section may return to the district of residence and enroll at any time, once the parent or guardian has notified the district of residence and the receiving district in writing of the decision to enroll the pupil in the district of residence.

Sec. 96. Section 423E.4, subsection 6, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A school district with a certified enrollment of fewer than two hundred fifty pupils in the entire district or certified enrollment of fewer than one hundred pupils in high school shall not expend the supplemental school infrastructure amount received for new construction or for payments for bonds issued for new construction against the supplemental school infrastructure amount without prior application to the department of education and receipt of a certificate of need pursuant to this subsection. However, a certificate of need is not required for the payment of outstanding bonds issued for new construction pursuant to section 296.1, before April 1, 2003. A certificate of need is also not required for repairing schoolhouses or buildings, equipment, technology, or transportation equipment for transporting students as provided in section 298.3, or for construction necessary for compliance with the federal Americans With Disabilities Act pursuant to 42 U.S.C. § 12101--12117. In determining whether a certificate of need shall be issued or denied, the department shall consider all of the following:

Sec. 97. RETROACTIVE APPLICABILITY FOR NONPROFIT SCHOOL ORGANIZATIONS. The provisions of section 279.60, as enacted by this division of this Act, authorizing the board of directors of a school district to establish and authorize expenditures for the operational support of an entity or organization for the sole benefit of the school district and its students, apply to entities or organizations established by the board of directors of a school district before, on, or after July 1, 2005.

DIVISION VII

LAND RECORD INFORMATION SYSTEM

Sec. 98. NEW SECTION. 12B.6 CERTAIN PUBLIC FUNDS OF POLITICAL SUBDIVISIONS.

All funds received, expended, or held by an association of elected county officers before, on, or after the effective



date of this Act, to implement a state-authorized program, are subject to audit by the auditor of state at the request of the government oversight committees or the legislative council. All such funds received or held on and after July 1, 2005, shall be deposited in a fund in the office of the treasurer of state.

Sec. 99. Section 331.605C, subsection 4, Code 2005, is amended to read as follows:

4. The local government electronic transaction fund is established in the office of the treasurer of state under the control of the treasurer of state. Moneys deposited into the fund are not subject to section 8.33. Notwithstanding section 12C.7, interest or earnings on moneys in the local government electronic transaction fund shall be credited to the fund. Moneys in the local government electronic transaction fund are not subject to transfer, appropriation, or reversion to any other fund, or any other use except as provided in this subsection. On a monthly basis, the county treasurer shall pay each fee collected pursuant to subsection 2 to the treasurer of state for deposit into the local government electronic transaction fund. Moneys credited to the local government electronic transaction fund are appropriated to the treasurer of state to be used for the purpose of paying the ongoing costs of integrating and maintaining the statewide internet website developed and implemented under subsection 1.

Sec. 100. COUNTY REAL ESTATE ELECTRONIC GOVERNMENT ADVISORY COMMITTEE.

1. A county real estate electronic government advisory committee is created. Staffing services for the advisory committee shall be provided by the auditor of state. The advisory committee membership shall consist of the following:

a. Two members selected by the Iowa state association of county auditors.

b. Two members selected by the Iowa state county treasurers association.

c. Two members selected by the Iowa county recorders association.

d. Two members selected by the Iowa state association of assessors.

e. One member selected by each of the following organizations:

(1) Iowa state association of counties.

(2) Iowa land title association.

(3) Iowa bankers association.

(4) Iowa credit union league.

(5) Iowa state bar association.

(6) Iowa association of realtors.

2. The county real estate electronic government advisory committee shall facilitate discussion to integrate the county land record information system created pursuant to section 331.605C with the electronic government internet applications of county treasurers, county recorders, county auditors, and county assessors. The advisory committee shall file an integration plan with the governor and the general assembly on or before November 1, 2005.

Sec. 101. COUNTY LAND RECORD INFORMATION SYSTEM -- ADDITIONAL PROVISIONS.

1. The board of supervisors of each county, on behalf of each county recorder, shall execute a chapter 28E agreement with the Iowa county recorders association for the implementation of the county land record information system. Such agreement shall require the Iowa county recorders association to execute contracts necessary for implementation of the county land record information system. The Iowa county recorders association shall submit to the general assembly on or before November 1, 2005, a long-range business plan for implementing and maintaining the county land record information system, including a plan for integrating the system with electronic government and internet applications of other governmental entities.



2. The auditor of state shall conduct an audit of the fees collected pursuant to section 331.605C for the purpose of determining the amount of fees collected and the uses for which such fees have been and are being expended. Audit results shall be filed with the general assembly on or before November 1, 2005. The cost of the audit, not to exceed five thousand dollars, shall be paid from the local government electronic transaction fund in the office of the treasurer of state.

3. County recorders shall collect only statutorily authorized fees for land records management. County recorders shall not collect fees for viewing, accessing, or printing documents in the county land record information system until authorized by the general assembly. However, county recorders may collect actual third-party fees associated with accepting and processing statutorily authorized fees including credit card fees, treasury management fees, and other transaction fees required to enable electronic payment. For the purposes of this subsection, the term "third-party" does not include the county land record information system, the Iowa state association of counties, or any of the association's affiliates.

4. The Iowa state association of counties shall provide information to the government oversight committees on or before July 1, 2005, defining all types of land management records, identifying each county or state office that holds such records, and specifying the fees associated with each of the different types of records.

5. The fees collected, including those previously collected and deposited locally, pursuant to section 331.605C, shall be transferred to the treasurer of state for deposit into the local government electronic transaction fund.

Sec. 102. DATA SECURITY AUDIT.

1. The Iowa county recorders association shall select a vendor to conduct a data security audit of the county land record information system created pursuant to section

331.605C. The review and assessment utilized in the audit shall include, but are not limited to, a review of the functional and system requirements, design documentation, software code developed to support the business requirements, operational procedures, financial flows including a financial forecast, requests for proposals, and all contracts.

2. The costs of the data security audit conducted pursuant to subsection 1 shall be paid from moneys appropriated to the treasurer of state pursuant to section 331.605C.

3. The Iowa county recorders association shall forward the complete results of the data security audit to the government oversight committees of the senate and the house of representatives and the general assembly on or before December 1, 2005, and the government oversight committees may request additional updates.

Sec. 103. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION VIII

CORRECTIVE PROVISIONS

Sec. 104. Section 8A.502, subsection 5, paragraph c, Code 2005, is amended to read as follows:

c. The Iowa dairy industry commission as established in chapter 179, the Iowa beef cattle producers association as established in chapter 181, the Iowa pork producers council as established in chapter 183A, the Iowa egg council as established in chapter 184, the Iowa turkey marketing council as established in chapter 184A, the Iowa soybean ~~promotion board~~ association as ~~established~~ provided in chapter 185, and the Iowa corn promotion board as established in chapter 185C.

Sec. 105. Section 8A.502, subsection 10, Code 2005, is amended to read as follows:

10. Entities representing agricultural producers. To control the financial operations of the Iowa dairy industry commission as provided in chapter 179, the Iowa beef cattle producers association as provided in chapter 181, the Iowa



pork producers council as provided in chapter 183A, the Iowa egg council as provided in chapter 184, the Iowa turkey marketing council as provided in chapter 184A, the Iowa soybean ~~promotion board~~ association as provided in chapter 185, and the Iowa corn promotion board as provided in chapter 185C.

Sec. 106. Section 10A.104, subsections 12 and 13, Code 2005, are amended by striking the subsections.

Sec. 107. Section 12D.9, subsection 2, Code 2005, is amended to read as follows:

2. State income tax treatment of the Iowa educational savings plan trust shall be as provided in section 422.7, subsections 32~~,~~ and 33~~,and 34,and section 422,35,subsection 14~~.

Sec. 108. Section 15.104, subsection 4, unnumbered paragraph 1, Code 2005, as amended by 2005 Iowa Acts, Senate File 205, section 5, is amended to read as follows:

Review and approve or disapprove a life science enterprise plan or amendments to that plan as provided in chapter 10C as ~~that chapter exists on or before June 30, 2005,~~ and according to rules adopted by the board. A life science plan shall make a reasonable effort to provide for participation by persons who are individuals or family farm entities actively engaged in farming as defined in section 10.1. The persons may participate in the life science enterprise by holding an equity position in the life science enterprise or providing goods or service to the enterprise under contract. The plan must be filed with the board not later than June 30, 2005. The life science enterprise may file an amendment to a plan at any time. A life science enterprise is not eligible to file a plan, unless the life science enterprise files a notice with the board. The notice shall be a simple statement indicating that the life science enterprise may file a plan as provided in this section. The notice must be filed with the board not later than June 1, 2005. The notice, plan, or amendments shall be submitted by a life science enterprise as provided by

the board. The board shall consult with the department of agriculture and land stewardship during its review of a life science plan or amendments to that plan. The plan shall include information regarding the life science enterprise as required by rules adopted by the board, including but not limited to all of the following:

Sec. 109. Section 28.3, subsection 6, paragraph b, Code 2005, as amended by 2005 Iowa Acts, House File 761, section 5, if enacted, is amended to read as follows:

b. In addition, a community empowerment office is established as a division of the department of management to provide a center for facilitation, communication, and coordination for community empowerment activities and funding and for improvement of the early care, education, health, and human services systems. Staffing for the community empowerment office shall be provided by a facilitator or coordinator appointed by the governor, subject to confirmation by the senate, and who serves at the pleasure of the governor. A deputy and support staff may be designated, subject to appropriation made for this purpose. The facilitator or coordinator shall submit reports to the governor, the Iowa board, and the general assembly. The facilitator or coordinator shall provide primary staffing to the board, coordinate state technical assistance activities and implementation of the technical assistance system, and other communication and coordination functions to move authority and decision-making responsibility from the state to communities and individuals.

Sec. 110. Section 28.4, subsection 14, if enacted by 2005 Iowa Acts, House File 761, section 9, is amended to read as follows:

14. With the assistance of the state departments represented on the Iowa empowerment board and the community empowerment office, develop and implement requirements for community empowerment areas and the state administrators of programs providing early care or early care services to



annually report to the public and the early care ~~coordinator~~ staff designated pursuant to section 28.3 regarding the results produced by the community empowerment initiative and by the programs. Source data shall also be made available to the early care ~~coordinator~~.

Sec. 111. Section 97.51, subsections 4 and 6, Code 2005, are amended to read as follows:

4. Any public employee subject to coverage under the provisions of chapter 97, Code 1950, as amended, in public service as of June 30, 1953, and who has not applied for and qualified for benefit payments under the provisions of chapter 97, Code 1950, as amended, who had contributed to the Iowa old-age and survivors' insurance fund prior to the repeal of ~~said~~ chapter 97, Code 1950, as amended, shall be entitled to a refund of contributions paid into the Iowa old-age and survivors' insurance fund by such employee without interest, but there shall be deducted from the amount of any such refund any amount which has been or will be paid in the employee's behalf as the employee's contribution as an employee to obtain retroactive federal social security coverage. Any former public employee not in public service as of June 30, 1953, who has contributed to the Iowa old-age and survivors' insurance fund, the employee's beneficiaries or estate, when no benefit has been paid under chapter 97, Code 1950, based upon such employee's prior record, shall be entitled to a refund of seventy-five percent of all contributions paid by the employee into said fund, without interest. The department shall prescribe rules in regard to the granting of such refunds. In the event of such refund any individual receiving the same shall be deemed to have waived any and all rights in behalf of the individual or any beneficiary or the individual's estate to further benefits under the provisions of chapter 97, Code 1950, as amended.

6. In the payment of any benefits in the future, as a result of the provisions of chapter 97, Code 1950, as amended, the department shall follow the same procedure as provided by

~~said~~ chapter 97, Code 1950, as amended, as though said chapter had not been repealed, except the requirements of ~~section 97,21,~~ subsection 4, paragraph "a", and subsection 5 of section 97.21, ~~subsection 5~~ Code 1950, shall not be applicable, but no primary benefit, based upon employment prior to June 30, 1953, shall be paid to any individual for any month during which the individual receives compensation for work in any position which would have been subject to coverage under the provisions of ~~said~~ chapter 97, Code 1950, as amended, if the individual's earnings for such month exceed one hundred dollars, nor shall any benefit be paid to a wife or dependent of such employee for such months, except that after a retired member reaches the age of seventy-two years, the member, the member's wife and dependents shall be entitled to the benefits of this chapter regardless of the amount earned.

Sec. 112. Section 97B.1A, subsection 8, paragraph b, subparagraph (5), Code 2005, is amended to read as follows:

(5) Employees of the Iowa dairy industry commission established under chapter 179, the Iowa beef cattle producers association established under chapter 181, the Iowa pork producers council established under chapter 183A, the Iowa turkey marketing council established under chapter 184A, the Iowa soybean ~~promotion board established under~~ association as provided in chapter 185, the Iowa corn promotion board established under chapter 185C, and the Iowa egg council established under chapter 184.

Sec. 113. Section 99D.13, subsection 2, Code 2005, is amended to read as follows:

2. Winnings from each racetrack forfeited under subsection 1 shall escheat to the state and to the extent appropriated by the general assembly shall be used by the department of agriculture and land stewardship to administer section 99D.22. The remainder shall be paid over to the commission to pay all or part of the cost of drug testing at the tracks. To the extent the remainder paid over to the commission, less the



cost of drug testing, is from unclaimed winnings from harness ~~racing meets~~ race meetings, the remainder shall be used as provided in subsection 3. To the extent the remainder paid to the commission, less the cost of drug testing, is from unclaimed winnings from licensed dog tracks, the commission shall remit annually five thousand dollars, or an equal portion of that amount, to each licensed dog track to carry out the racing dog adoption program pursuant to section 99D.27. To the extent the remainder paid over to the commission, less the cost of drug testing, is from unclaimed winnings from tracks licensed for dog or horse races, the commission, on an annual basis, shall remit one-third of the amount to the treasurer of the city in which the racetrack is located, one-third of the amount to the treasurer of the county in which the racetrack is located, and one-third of the amount to the racetrack from which it was forfeited. If the racetrack is not located in a city, then one-third shall be deposited as provided in chapter 556. The amount received by the racetrack under this subsection shall be used only for retiring the debt of the racetrack facilities and for capital improvements to the racetrack facilities.

Sec. 114. Section 99D.13, subsection 3, unnumbered paragraph 1, Code 2005, is amended to read as follows:

One hundred twenty thousand dollars of winnings from wagers placed at harness ~~racing meets~~ race meetings forfeited under subsection 1 in a calendar year that escheat to the state and are paid over to the commission are appropriated to the racing commission for the fiscal year beginning in that calendar year to be used as follows:

Sec. 115. Section 126.23A, subsection 1, paragraph a, subparagraph (1), as enacted by 2005 Iowa Acts, Senate File 169, section 3, is amended to read as follows:

(1) Sell a product ~~that contains more than three hundred sixty milligrams of pseudoephedrine~~ in violation of section 124.212, subsection 4.

Sec. 116. Section 126.23A, subsection 1, paragraph b, subparagraph (3), as enacted by 2005 Iowa Acts, Senate File 169, section 3, is amended to read as follows:

(3) Require the purchaser to ~~legibly~~ sign a logbook and to also require the purchaser to legibly print the purchaser's name and address in the logbook.

Sec. 117. Section 126.23A, subsection 3, as enacted by 2005 Iowa Acts, Senate File 169, section 3, is amended to read as follows:

3. A purchaser shall ~~legibly~~ sign the logbook and also legibly print the purchaser's name and address in the logbook.

Sec. 118. Section 135.43, subsection 3, paragraph g, as enacted in 2005 Iowa Acts, House File 190, section 2, is amended to read as follows:

g. In order to assist ~~another~~ a division of the department in performing the division's duties, if the division does not otherwise have access to the information, share information possessed by the review team. The division receiving the information shall maintain the confidentiality of the information in accordance with this section. Unauthorized release or disclosure of the information received is subject to penalty as provided in this section.

Sec. 119. Section 135M.6, as enacted by 2005 Iowa Acts, House File 724, section 6, is amended to read as follows:

135M.6 SAMPLE PRESCRIPTION DRUGS.

This chapter shall not be construed to restrict the use of samples by a physician or other person legally authorized to prescribe drugs ~~pursuant to section 147.107~~ under state and federal law during the course of the physician's or other person's duties at a medical facility or pharmacy.

Sec. 120. Section 147.105, subsection 2, as enacted by 2005 Iowa Acts, House File 418, section 1, is amended to read as follows:

2. Except as provided under subsections 5 and 6, a clinical laboratory or a physician providing anatomic pathology services to patients in this state shall not, directly or indirectly, charge, bill, or otherwise solicit payment for such services unless the services were personally rendered by ~~a~~ the clinical laboratory or the physician or under the direct supervision of ~~a~~ the clinical laboratory or the physician in accordance with section 353 of the federal Public Health Service Act, 42 U.S.C. § 263a.



Sec. 121. Section 231C.2, subsection 9, as amended by 2005 Iowa Acts, House File 585, section 3, is amended to read as follows:

9. "Personal care" means assistance with the essential activities of daily living~~,~~ which may include but are not limited to transferring, bathing, personal hygiene, dressing, grooming, and housekeeping~~,~~ that are essential to the health and welfare of the tenant.

Sec. 122. Section 249.1, subsection 4, Code 2005, is amended to read as follows:

4. "Previous categorical assistance programs" means the aid to the blind program authorized by chapter 241, the aid to the disabled program authorized by chapter 241A and the old-age assistance program authorized by chapter 249 ~~of the~~, Code ~~of~~ 1973.

Sec. 123. Section 249.10, Code 2005, is amended to read as follows:

249.10 PRIOR LIENS, CLAIMS AND ASSIGNMENTS.

Any lien or claim against the estate of a decedent existing on January 1, 1974, which lien was perfected or which claim was filed under the provisions of section 249.19, 249.20~~,~~ or 249.21 ~~as they appeared in the~~, Code ~~of~~ 1973~~,~~ and prior Codes, and which liens or claims have not been satisfied, are void. Any assignment of personal property which was made under the provisions of chapter 249 ~~as it appeared in the~~, Code ~~of~~ 1973~~,~~ and prior Codes, is void. The director may in furtherance of this section release any lien or claim created or existing under that chapter. Each release made pursuant to this section shall be executed and acknowledged by the director or the director's authorized designee, and when recorded shall be

conclusive in favor of any third person dealing with or concerning the property affected by the release in reliance upon such record.

Sec. 124. Section 257.28, Code 2005, is amended to read as follows:

257.28 ENRICHMENT LEVY.

If a school district has approved the use of the instructional support program for a budget year, the district shall not also collect moneys under the additional enrichment amount approved by the voters under chapter 442, ~~as it appeared in~~ Code 1991, for the budget year.

Sec. 125. Section 307.12, subsection 5, Code 2005, is amended to read as follows:

5. Prepare a budget for the department~~, subject to the approval of the commission,~~ and prepare reports required by law.

Sec. 126. Section 321.43, Code 2005, is amended to read as follows:

321.43 NEW IDENTIFYING NUMBERS.

The department may assign a distinguishing number to a vehicle when the ~~serial~~ vehicle identification number on the vehicle is destroyed or obliterated and issue to the owner a special plate bearing the distinguishing number which shall be affixed to the vehicle in a position to be determined by the director. The vehicle shall be registered and titled under the distinguishing number in lieu of the former ~~serial~~ vehicle identification number.

Sec. 127. Section 321.65, Code 2005, is amended to read as follows:

321.65 GARAGE RECORD.

Every person or corporation operating a public garage shall keep for public inspection a record of the registration number and engine ~~or factory~~ serial number or manufacturer's vehicle identification number of every motor vehicle offered for sale or taken in for repairs in said garage.



Sec. 128. Section 321.90, subsection 2, paragraph b, Code 2005, is amended to read as follows:

b. The application shall set out the name and address of the applicant, and the year, make, model, and ~~serial~~ vehicle identification number of the motor vehicle, if ascertainable, together with any other identifying features, and shall contain a concise statement of the facts surrounding the abandonment, or a statement that the title of the motor vehicle is lost or destroyed, or the reasons for the defect of title in the owner. The applicant shall execute an affidavit stating that the facts alleged are true and that no material fact has been withheld. An order for disposal obtained pursuant to section 555B.8, subsection 3, satisfies the application requirements of this paragraph.

Sec. 129. Section 327B.1, subsection 6, as enacted by 2005 Iowa Acts, House File 591, section 10, is amended to read as follows:

6. A motor carrier ~~owner or driver~~ shall ~~carry~~ keep proper evidence of interstate authority in the motor ~~carrier~~ vehicle being operated by the motor carrier and the motor carrier owner or driver shall make such evidence available to a peace officer upon request.

Sec. 130. Section 331.606, subsection 3, Code 2005, is amended to read as follows:

3. The county recorder may give the county sheriff the records filed under this chapter or chapter 695 ~~of prior codes~~, Code 1977, pertaining to the sale and registration of weapons or may dispose of those records if the sheriff does not wish to receive the records.

Sec. 131. Section 453A.47A, subsection 4, and subsection 9, unnumbered paragraph 1, as enacted by 2005 Iowa Acts, House File 339, section 4, are amended to read as follows:

4. RETAILER -- CIGARETTES AND TOBACCO PRODUCTS. A retailer, as defined in section 453A.1, who holds a permit under division I of this chapter is not required to also obtain a ~~retailer~~ retail permit under this division. However,

if a retailer, as defined in section 453A.1, only holds a permit under division I of this chapter and that permit is suspended, revoked, or expired, the retailer shall not sell any cigarettes or tobacco products during the time which the permit is suspended, revoked, or expired.

~~Retailer~~ Retail permits shall be issued only upon applications, accompanied by the fee indicated above, made upon forms furnished by the department upon written request. The failure to furnish such forms shall be no excuse for the failure to file the form unless absolute refusal is shown. The forms shall specify:

Sec. 132. Section 483A.8, subsection 5, Code 2005, is amended to read as follows:

5. A nonresident owning land in this state may apply for ~~one of the first six thousand~~ a nonresident antlered or any sex deer ~~licenses not limited to antlerless deer~~ hunting license, and the provisions of subsection 3 shall apply. However, if a nonresident owning land in this state is unsuccessful in obtaining one of the ~~first six thousand~~ nonresident antlered or any sex deer hunting licenses, the landowner shall be given preference for one of the ~~two thousand five hundred~~ antlerless deer only nonresident deer hunting licenses available pursuant to subsection 3. A nonresident owning land in this state shall pay the fee for a nonresident antlerless only deer license and the license shall be valid to hunt on the nonresident's land only. ~~A nonresident owning land in this state is eligible for only one nonresident deer license annually.~~ If one or more parcels of land have multiple nonresident owners, only one of the nonresident owners is eligible for a nonresident antlerless only deer license. If a nonresident jointly owns land in this state with a resident, the nonresident shall not be given preference for a nonresident antlerless only deer license. The department may require proof of land ownership from a nonresident landowner applying for a nonresident antlerless only deer license.



Sec. 133. Section 501A.231, subsection 5, if enacted by 2005 Iowa Acts, House File 859, section 17, is amended to read as follows:

5. The secretary of state may provide for the change of registered office or registered agent on the form prescribed by the secretary of state for the biennial report, provided that the form contains the information required by section 501A.402. If the secretary of state determines that a biennial report does not contain the information required by this section but otherwise meets the requirements of section ~~501.402~~ 501A.402 for the purpose of changing the registered office or registered agent, the secretary of state shall file the statement of change of registered office or registered agent, effective as provided in section 501A.203, before returning the biennial report to the cooperative as provided in this section. A statement of change of registered office or agent pursuant to this subsection shall be executed by a person authorized to execute the biennial report.

Sec. 134. Section 501A.1001, subsection 4, if enacted by 2005 Iowa Acts, House File 859, section 73, is amended to read as follows:

4. The determinations of the board as to the amount or fair value or the fairness to the cooperative of the contribution accepted or to be accepted by the cooperative or the terms of payment or performance, including under a contribution ~~rights~~ agreement in section 501A.1003, and a contribution rights agreement in section 501A.1004, are presumed to be proper if they are made in good faith and on the basis of accounting methods, or a fair valuation or other method, reasonable in the circumstances. Directors who are present and entitled to vote, and who, intentionally or without reasonable investigation, fail to vote against approving a consideration that is unfair to the cooperative, or overvalue property or services received or to be received by the cooperative as a contribution, are jointly and severally liable to the cooperative for the benefit of the

then members who did not consent to and are damaged by the action to the extent of the damages of those members. A director against whom a claim is asserted under this subsection, except in case of knowing participation in a deliberate fraud, is entitled to contribution on an equitable basis from other directors who are liable under this subsection.

Sec. 135. Section 10B.4, subsection 1, Code 2005, as amended by 2005 Iowa Acts, House File 859, section 102, if enacted, is amended to read as follows:

1. A biennial report shall be filed by a reporting entity with the secretary of state on or before March 31 of each odd-numbered year as required by rules adopted by the secretary of state pursuant to chapter 17A. However, a reporting entity required to file a biennial report pursuant to chapter 490, 490A, 496C, 497, 498, ~~490A,~~ 499, 501, 501A, or 504A shall file the report required by this section in the same year as required by that chapter. The reporting entity may file the report required by this section together with the biennial report required to be filed by one of the other chapters referred to in this subsection. The reports shall be filed on forms prepared and supplied by the secretary of state. The secretary of state may provide for combining its reporting forms with other biennial reporting forms required to be used by the reporting entities.

Sec. 136. 2005 Iowa Acts, House File 859, section 104, if enacted, is amended by striking the section and inserting in lieu thereof the following:

SEC. 104. Section 15.385, subsection 4, paragraph a, Code 2005, is amended to read as follows:

a. An eligible business may claim a tax credit equal to a percentage of the new investment directly related to new jobs created by the location or expansion of an eligible business under the program. The tax credit shall be allowed against taxes imposed under chapter 422, division II, III, or V. If the business is a partnership, S corporation, limited



liability company, cooperative organized under chapter 501 or 501A and filing as a partnership for federal tax purposes, or estate or trust electing to have the income taxed directly to the individual, an individual may claim the tax credit allowed. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings of the partnership, S corporation, limited liability company, cooperative organized under chapter 501 or 501A and filing as a partnership for federal tax purposes, or estate or trust. The percentage shall be equal to the amount provided in paragraph "d". Any tax credit in excess of the tax liability for the tax year may be credited to the tax liability for the following seven years or until depleted, whichever occurs first.

Subject to prior approval by the department of economic development, in consultation with the department of revenue, an eligible business whose project primarily involves the production of value-added agricultural products or uses biotechnology-related processes may elect to receive a refund of all or a portion of an unused tax credit. For purposes of this subsection, such an eligible business includes a cooperative described in section 521 of the Internal Revenue Code which is not required to file an Iowa corporate income tax return, and whose project primarily involves the production of ethanol. The refund may be applied against a tax liability imposed under chapter 422, division II, III, or V. If the business is a partnership, S corporation, limited liability company, cooperative organized under chapter 501 or 501A and filing as a partnership for federal tax purposes, or estate or trust electing to have the income taxed directly to the individual, an individual may claim the tax credit allowed. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings of the partnership, S corporation, limited liability company, cooperative organized under chapter 501 or 501A and filing as a partnership for federal tax purposes, or estate or trust.

Sec. 137. Section 602.1304, subsection 2, paragraph b, Code 2005, as amended by 2005 Iowa Acts, House File 826, section 3, is amended to read as follows:

b. For each fiscal year, a judicial collection estimate for that fiscal year shall be equally and proportionally divided into a quarterly amount. The judicial collection estimate shall be calculated by using the state revenue estimating conference estimate made by December 15 pursuant to section 8.22A, subsection 3, of the total amount of fines, fees, civil penalties, costs, surcharges, and other revenues collected by judicial officers and court employees for deposit into the general fund of the state. The revenue estimating conference estimate shall be reduced by the maximum amounts allocated to the Iowa prison infrastructure fund pursuant to section 602.8108A, the court technology and modernization fund pursuant to section 602.8108, subsection 7, the judicial branch pursuant to section 602.8108, subsection 7A, and the road use tax fund pursuant to section 602.8108, subsection 8, ~~and amounts allocated to the department of public safety's vehicle depreciation account pursuant to section 602.8108, subsection 9,~~ and the remainder shall be the judicial collection estimate. In each quarter of a fiscal year, after revenues collected by judicial officers and court employees equal to that quarterly amount are deposited into the general fund of the state, after the required amount is deposited during the quarter into the Iowa prison infrastructure fund pursuant to section 602.8108A and into the court technology and modernization fund pursuant to section 602.8108, subsection 7, and after the required amount is allocated to the judicial branch pursuant to section 602.8108, subsection 7A, ~~and to the department of public safety's vehicle depreciation account pursuant to section 602.8108, subsection 9,~~ the director of the department of administrative services shall deposit the remaining revenues for that quarter into the enhanced court collections fund in lieu of the general fund. However, after total deposits into the collections fund for



the fiscal year are equal to the maximum deposit amount established for the collections fund, remaining revenues for that fiscal year shall be deposited into the general fund. If the revenue estimating conference agrees to a different estimate at a later meeting which projects a lesser amount of revenue than the initial estimate amount used to calculate the judicial collection estimate, the director of the department of administrative services shall recalculate the judicial collection estimate accordingly. If the revenue estimating conference agrees to a different estimate at a later meeting which projects a greater amount of revenue than the initial estimate amount used to calculate the judicial collection estimate, the director of the department of administrative services shall recalculate the judicial collection estimate accordingly but only to the extent that the greater amount is due to an increase in the fines, fees, civil penalties, costs, surcharges, or other revenues allowed by law to be collected by judicial officers and court employees.

Sec. 138. Section 602.8108, subsection 2, Code 2005, as amended by 2005 Iowa Acts, House File 826, section 5, is amended to read as follows:

2. Except as otherwise provided, the clerk of the district court shall report and submit to the state court administrator, not later than the fifteenth day of each month, the fines and fees received during the preceding calendar month. Except as provided in subsections 3, 4, 5, 7, 7A, and 8, ~~and 9,~~ the state court administrator shall deposit the amounts received with the treasurer of state for deposit in the general fund of the state. The state court administrator shall report to the legislative services agency within thirty days of the beginning of each fiscal quarter the amount received during the previous quarter in the account established under this section.

Sec. 139. Section 633.10, subsection 5, Code 2005, is amended to read as follows:

5. ACTIONS FOR ACCOUNTING.

An action for an accounting against a beneficiary of a transfer on death security registration, pursuant to ~~this~~ chapter 633D.

Sec. 140. Section 805.8C, subsection 6, as amended by 2005 Iowa Acts, Senate File 169, section 9, is amended to read as follows:

6. PSEUDOEPHEDRINE SALES VIOLATIONS. For violations of section 126.23A, subsection 1, by an employee of a retailer, or for violations of section 126.23A, subsection 2, paragraph "a", by a purchaser, the scheduled fine is as follows:

a. If the violation is a first offense, the scheduled fine is one hundred dollars.

b. If the violation is a second offense, the scheduled fine is two hundred fifty dollars.

c. If the violation is a third or subsequent offense, the scheduled fine is five hundred dollars.

Sec. 141. 2005 Iowa Acts, House File 739, section 7, if enacted, is amended to read as follows:

SEC. 7. CONTINGENT EFFECTIVENESS. The sections of this Act ~~creating~~ amending Code chapter 280A or enacting new sections in Code chapter 280A take effect only if the general assembly appropriates funds for the fiscal year beginning July 1, 2005, in an amount sufficient to implement the provisions of Code chapter 280A, if enacted.

Sec. 142. 2005 Iowa Acts, House File 839, is amended by adding the following new section:

SEC. ___. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment of 2005 Iowa Acts, House File 882.

Sec. 143. CONTINGENT EFFECTIVE DATE. The section of this division of this Act amending section 10A.104 is contingent upon the enactment of 2005 Iowa Acts, House File 770.

DIVISION IX

STATE LIQUOR ACTIVITIES



Sec. 144. Section 123.53, subsection 3, Code 2005, is amended to read as follows:

3. The treasurer of state shall transfer into a special revenue account in the general fund of the state, a sum of money at least equal to seven percent of the gross amount of sales made by the division from the beer and liquor control fund on a monthly basis but not less than nine million dollars annually~~, and any amounts so~~. Of the amounts transferred, two million dollars, plus an additional amount determined by the general assembly, shall be ~~used by~~ appropriated to the substance abuse division of the Iowa department of public health to be used for substance abuse treatment and prevention programs ~~in an amount determined by the general assembly and~~ any. Any amounts received in excess of the amounts appropriated to the substance abuse division of the Iowa department of public health shall be considered part of the general fund balance.

Sec. 145. ALCOHOLIC BEVERAGES DIVISION -- STATE LIQUOR WAREHOUSE AND TRUCKING FUNCTIONS. The department of administrative services shall issue a request for proposals developed with the alcoholic beverages division of the department of commerce or otherwise utilize a competitive process not inconsistent with the division's current charter agency agreement to select a provider to perform the state liquor warehouse and trucking functions. The request for proposals or competitive process shall be issued or commenced as soon as is reasonably possible and a provider shall be selected no later than December 31, 2005. The division may submit a bid in response to a request for proposals issued or competitive process conducted pursuant to this section. If the division submits a bid, the division shall include in the bid the cost of labor to perform the contract which shall be calculated by using the cost of hiring full-time equivalent positions to perform the contract pursuant to state pay grade classifications and benefits as outlined in the most recent collective bargaining agreement applicable to other employees

of the division. Notwithstanding any provision of chapter 22 to the contrary, the division's bid and any documents the division uses in developing its bid shall be considered a confidential record until the department of administrative services announces the results of the request for proposals or competitive process.

Sec. 146. EFFECTIVE DATE. The section of this division of this Act amending section 123.53 takes effect July 1, 2006.

DIVISION X

BOARD OF REGENTS

Sec. 147. Section 12B.10C, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 10. The state board of regents governed by chapter 262.

Sec. 148. Section 73A.1, subsection 2, Code 2005, is amended to read as follows:

2. "Municipality" as used in this chapter means township, school corporation, and state fair board~~, and state board of regents~~.

Sec. 149. Section 262.9, subsection 7, Code 2005, is amended to read as follows:

7. ~~With the approval of the executive council, acquire~~ Acquire real estate for the proper uses of ~~said~~ institutions under its control, and dispose of real estate belonging to ~~said~~ the institutions when not necessary for their purposes. ~~A~~ The disposal of ~~such~~ real estate shall be made upon such terms, conditions, and consideration as the board may recommend ~~and subject to the approval of the executive council~~. If real estate subject to sale ~~hereunder~~ has been purchased or acquired from appropriated funds, the proceeds of such sale shall be deposited with the treasurer of state and credited to the general fund of the state. There is hereby appropriated from the general fund of the state a sum equal to the proceeds so deposited and credited to the general fund of the state to the state board of regents, which~~, with the prior approval of the executive council,~~ may be used to purchase



other real estate and buildings~~,~~ and for the construction and alteration of buildings and other capital improvements. All transfers shall be by state patent in the manner provided by law. The board is also authorized to grant easements for rights-of-way over, across, and under the surface of public lands under its jurisdiction when in the board's judgment such easements are desirable and will benefit the state of Iowa.

Sec. 150. Section 262.9, subsection 15, unnumbered paragraph 2, Code 2005, is amended by striking the unnumbered paragraph.

Sec. 151. Section 262.10, unnumbered paragraph 1, Code 2005, is amended to read as follows:

No sale or purchase of real estate shall be made save upon the order of the board, made at a regular meeting, or one called for that purpose, and then in such manner and under such terms as the board may prescribe ~~and only with the approval of the executive council~~. No member of the board or any of its committees, offices or agencies nor any officer of any institution, shall be directly or indirectly interested in such purchase or sale.

Sec. 152. Section 262.33A, Code 2005, is amended to read as follows:

262.33A FIRE AND ENVIRONMENTAL SAFETY -- REPORT -- EXPENDITURES.

It is the intent of the general assembly that each institution of higher education under the control of the state board of regents shall, in consultation with the state fire marshal, identify and correct all critical fire and environmental safety deficiencies. ~~The state fire marshal shall report annually to the joint subcommittee on education appropriations. The report shall include, but is not limited to, the identified deficiencies in fire and environmental safety at the institutions, and plans for correction of the deficiencies and for compliance with this section.~~ Commencing July 1, 1993, each institution under the control of the state board of regents shall expend annually for fire safety and

deferred maintenance at least the amount budgeted for these purposes for the fiscal year beginning July 1, 1992, in addition to any moneys appropriated from the general fund for these purposes in succeeding years.

Sec. 153. Section 262.34, Code 2005, is amended to read as follows:

262.34 IMPROVEMENTS -- ADVERTISEMENT FOR BIDS -- DISCLOSURES -- PAYMENTS.

1. When the estimated cost of construction, repairs, or improvement of buildings or grounds under charge of the state board of regents exceeds ~~twenty-five~~ one hundred thousand dollars, the board shall advertise for bids for the contemplated improvement or construction and shall let the work to the lowest responsible bidder. However, if in the judgment of the board bids received are not acceptable, the board may reject all bids and proceed with the construction, repair, or improvement by a method as the board may determine. All plans and specifications for repairs or construction, together with bids on the plans or specifications, shall be filed by the board and be open for public inspection. All bids submitted under this section shall be accompanied by a deposit of money, a certified check, or a credit union certified share draft in an amount as the board may prescribe.

2. A bidder awarded a contract shall disclose the names of all subcontractors, who will work on the project being bid, within forty-eight hours after the award of the contract. If a subcontractor named by a bidder awarded a contract is replaced, or if the cost of work to be done by a subcontractor is reduced, the bidder shall disclose the name of the new subcontractor or the amount of the reduced cost.

3. Payments made by the board for the construction of public improvements shall be made in accordance with the provisions of chapter 573 except that:

a. Payments may be made without retention until ninety-five percent of the contract amount has been paid. The remaining five percent of the contract amount shall be paid as provided in section 573.14, except that:



(1) At any time after all or any part of the work is substantially completed in accordance with paragraph "c", the contractor may request the release of all or part of the retainage owed. Such request shall be accompanied by a waiver of claim rights under the provisions of chapter 573 from any person, firm, or corporation who has, under contract with the principal contractor or with subcontractors performed labor, or furnished materials, service, or transportation in the construction of that portion of the work for which release of the retainage is requested.

(2) Upon receipt of the request, the board shall release all or part of the unpaid funds. Retainage that is approved as payable shall be paid at the time of the next monthly payment or within thirty days, whichever is sooner. If partial retainage is released pursuant to a contractor's request, no retainage shall be subsequently held based on that portion of the work. If within thirty days of when payment becomes due the board does not release the retainage due, interest shall accrue on the retainage amount due as provided in section 573.14 until that amount is paid.

(3) If at the time of the request for the retainage there are remaining or incomplete minor items, an amount equal to two hundred percent of the value of each remaining or incomplete item, as determined by the board's authorized contract representative, may be withheld until such item or items are completed.

(4) An itemization of the remaining or incomplete items, or the reason that the request for release of the retainage was denied, shall be provided to the contractor in writing within thirty calendar days of the receipt of the request for release of retainage.

b. For purposes of this section, "authorized contract representative" means the architect or engineer who is in charge of the project and chosen by the board to represent its interests, or if there is no architect or engineer, then such other contract representative or officer as designated in the

contract documents as the party representing the board's interest regarding administration and oversight of the project.

c. For purposes of this section, "substantially completed" means the first date on which any of the following occurs:

(1) Completion of the project or when the work has been substantially completed in general accordance with the terms and provisions of the contract.

(2) The work or the portion designated is sufficiently complete in accordance with the requirements of the contract so the board can occupy or utilize the work for its intended purpose.

(3) The project is certified as having been substantially completed by either of the following:

(a) The architect or engineer authorized to make such certification.

(b) The contracting authority representing the board.

4. Each contractor or subcontractor shall withhold retainage, if at all, in the same manner as retainage is withheld from the contractor or subcontractor; and each subcontractor shall pass through all retainage payments to lower tier subcontractors in accordance with the provisions of chapter 573.

Sec. 154. Section 262.57, unnumbered paragraph 1, Code 2005, is amended to read as follows:

To pay all or any part of the cost of carrying out any project at any institution the board is authorized to borrow money and to issue and sell negotiable bonds or notes and to refund and refinance bonds or notes heretofore issued or as may be hereafter issued for any project or for refunding purposes at a lower rate, the same rate or a higher rate or rates of interest and from time to time as often as the board shall find it to be advisable and necessary so to do. Such bonds or notes may be sold by said board at public sale in the manner prescribed by chapter 75 but if the board shall find it to be advantageous and in the public interest to do so, such



bonds or notes may be sold by the board at private sale without published notice of any kind and without regard to the requirements of chapter 75 in such manner and upon such terms as may be prescribed by the resolution authorizing the same~~, but such bonds or notes shall in any event be sold upon terms of not less than par plus accrued interest~~. Bonds or notes issued to refund other bonds or notes heretofore or hereafter issued by the board for residence hall or dormitory purposes at any institution, including dining or other facilities and additions, or heretofore or hereafter issued for refunding purposes, may either be sold in the manner hereinbefore specified and the proceeds thereof applied to the payment of the obligations being refunded, or the refunding bonds or notes may be exchanged for and in payment and discharge of the obligations being refunded, and a finding by the board in the resolution authorizing the issuance of such refunding bonds or notes that the bonds or notes being refunded were issued for a purpose specified in this division and constitute binding obligations of the board shall be conclusive and may be relied upon by any holder of any refunding bond or note issued under the provisions of this division. The refunding bonds or notes may be sold or exchanged in installments at different times or an entire issue or series may be sold or exchanged at one time. Any issue or series of refunding bonds or notes may be exchanged in part or sold in parts in installments at different times or at one time. The refunding bonds or notes may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding notes, bonds or other obligations to be refinanced thereby and may be issued for the purpose of refunding a like or greater principal amount of bonds or notes, except that the principal amount of the refunding bonds or notes may exceed the principal amount of the bonds or notes to be refunded to the extent necessary to pay any premium due on the call of the bonds or notes to be refunded or to fund interest in arrears or about to become due.

Sec. 155. Section 262.78, subsection 6, Code 2005, is amended by striking the subsection.

Sec. 156. Section 262A.5, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The board is authorized to borrow money under this chapter, and the board may issue and sell negotiable bonds to pay all or any part of the cost of carrying out any project at any institution and may refund and refinance bonds issued for any project or for refunding purposes at the same rate or at a higher or lower rate or rates of interest. Bonds issued under the provisions of this chapter shall be sold by said board at public sale on the basis of sealed proposals received pursuant to a notice specifying the time and place of sale and the amount of bonds to be sold which shall be published at least once not less than seven days prior to the date of sale in a newspaper published in the state of Iowa and having a general circulation in said state. The provisions of chapter 75 shall not apply to bonds issued under authority contained in this chapter~~, but such bonds shall be sold upon terms of not less than par plus accrued interest~~ to the extent not in conflict with this chapter. Bonds issued to refund other bonds issued under the provisions of this chapter may either be sold in the manner hereinbefore specified and the proceeds thereof applied to the payment of the obligations being refunded, or the refunding bonds may be exchanged for and in payment and discharge of the obligations being refunded. The refunding bonds may be sold or exchanged in installments at different times or an entire issue or series may be sold or exchanged at one time. Any issue or series of refunding bonds may be exchanged in part or sold in parts in installments at different times or at one time. The refunding bonds may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding bonds or other obligations to be refinanced thereby and may be issued for the purpose of refunding a like or greater principal amount of bonds, except that the principal amount of the refunding bonds may exceed



the principal amount of the bonds to be refunded to the extent necessary to pay any premium due on the call of the bonds to be refunded or to fund interest in arrears or which is to become due.

Sec. 157. Section 266.39F, subsection 2, unnumbered paragraph 2, Code 2005, is amended to read as follows:

The provisions of section 262.9, subsection 7, ~~and section 262.10~~ shall not apply to the sale of any portion of land to be sold in accordance with this section or to the use of the proceeds from the sale of the land.

Sec. 158. Section 573.12, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Payments made under contracts for the construction of public improvements, unless provided otherwise by law, shall be made on the basis of monthly estimates of labor performed and material delivered, as determined by the project architect or engineer. The public corporation shall retain from each monthly payment not more than five percent of that amount which is determined to be due according to the estimate of the architect or engineer. ~~However, institutions governed pursuant to chapter 262 may, on contracts where a bond is required under section 573.2, make payments under this section without retention until ninety-five percent of the contract amount has been paid and the remaining five percent of the contract amount shall be paid as provided under section 573.14.~~

Sec. 159. Section 573.14, unnumbered paragraph 2, Code 2005, is amended to read as follows:

The public corporation shall order payment of any amount due the contractor to be made in accordance with the terms of the contract. Except as provided in section 573.12 for progress payments, failure to make payment pursuant to this section, of any amount due the contractor, within forty days, unless a greater time period not to exceed fifty days is specified in the contract documents, after the work under the contract has been completed and if the work has been accepted

approval of the application is acceptance by the applicant for the assessment of the qualified facility for property tax purposes for a period of twelve years and approval by the board of supervisors for the payment of the property taxes levied on the qualified property to the state. For purposes of property taxation, the qualified facility shall be centrally assessed and shall be exempt from any replacement tax under section 437A.6 for the period during which the facility is subject to property taxation. The property taxes to be paid to the state are those property taxes which make up the consolidated tax levied on the qualified facility and which are due and payable in the twelve-year period beginning with the first fiscal year beginning on or after the end of the owner's first taxable year for which the credit is applied for. Upon approval of the application, the board of supervisors shall notify the county treasurer to state on the tax statement which lists the taxes on the qualified facility that the amount of the property taxes shall be paid to the department. Payment of the designated property taxes to the department shall be in the same manner as required for the payment of regular property taxes and failure to pay designated property taxes to the department shall be treated the same as failure to pay property taxes to the county treasurer.

c. Once the owner of the qualified facility receives approval under paragraph "a", subsequent approval under paragraph "a" is not required for the same qualified facility for subsequent taxable years.

2. An owner of a qualified facility may apply to the board for the wind energy production tax credit by submitting to the board all of the following:

a. A completed application in a form prescribed by the board.

b. A copy of the determination granting approval of the facility as a qualified facility by the board.



c. A copy of a signed power purchase agreement or other agreement to purchase electricity.

d. Sufficient documentation that the electricity has been generated by the qualified facility and sold to a purchaser.

e. Any other information the board deems necessary.

3. The board shall notify the department of the amount of kilowatt-hours generated and purchased from a qualified facility. The department shall calculate the amount of the tax credit for which the applicant is eligible and shall issue the tax credit certificate for that amount or notify the applicant in writing of its refusal to do so. An applicant whose application is denied may file an appeal with the department within sixty days from the date of the denial pursuant to the provisions of chapter 17A.

4. Each tax credit certificate shall contain the owner's name, address, and tax identification number, the amount of tax credits, the first taxable year the certificate may be used, the type of tax to which the tax credits shall be applied, and any other information required by the department. The tax credit certificate shall only list one type of tax to which the amount of the tax credit may be applied. Once issued by the department, the tax credit certificate shall not be terminated or rescinded.

5. If the tax credit application is filed by a partnership, limited liability company, S corporation, estate, trust, or other reporting entity all of the income of which is taxed directly to its equity holders or beneficiaries, for the taxes imposed under chapter 422, division II or III, the tax credit certificate shall be issued directly to equity holders or beneficiaries of the applicant in proportion to their pro rata share of the income of such entity. The applicant shall, in the application made under this section, identify its equity holders or beneficiaries, and the percentage of such entity's income that is allocable to each equity holder or beneficiary. If the tax credit application is filed by a partnership, limited liability company, S corporation, estate,

trust, or other reporting entity, all of whose income is taxed directly to its equity holders or beneficiaries for the taxes imposed under chapter 422, division V, or under chapter 432, the tax credit certificate shall be issued directly to the partnership, limited liability company, S corporation, estate, trust, or other reporting entity.

6. The department shall not issue a tax credit certificate if the facility approved by the board as a qualified facility is not operational within eighteen months after the approval is issued.

7. Once a tax credit certificate is issued pursuant to this section, the tax credit may only be claimed against the type of tax reflected on the certificate.

8. A tax credit certificate shall not be used or attached to a return filed for a taxable year beginning prior to July 1, 2006.

Sec. 168. Section 476B.7, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Wind energy production tax credit certificates issued under this chapter may be transferred to any person or entity. Within thirty days of transfer, the transferee must submit the transferred tax credit certificate to the ~~board~~ <u>department</u> along with a statement containing the transferee's name, tax identification number, and address, and the denomination that each replacement tax credit certificate is to carry and any other information required by the department. Within thirty days of receiving the transferred tax credit certificate and the transferee's statement, the ~~board~~ <u>department</u> shall issue one or more replacement tax credit certificates to the transferee. Each replacement certificate must contain the information required under section 476B.6 and must have the same effective taxable year and the same expiration date that appeared in the transferred tax credit certificate. Tax credit certificate amounts of less than the minimum amount established by rule of the board shall not be transferable. A tax credit shall not be claimed by a transferee under this



chapter until a replacement tax credit certificate identifying the transferee as the proper holder has been issued.

Sec. 169. Section 476B.8, Code 2005, is amended to read as follows:

476B.8 USE OF TAX CREDIT CERTIFICATES.

To claim a wind energy production tax credit under this chapter, a taxpayer must attach one or more tax credit certificates to the taxpayer's tax return. A tax credit certificate shall not be used or attached to a return filed for a taxable year beginning prior to July 1, ~~2005~~ <u>2006</u>. The tax credit certificate or certificates attached to the taxpayer's tax return shall be issued in the taxpayer's name, expire on or after the last day of the taxable year for which the taxpayer is claiming the tax credit, and show a tax credit amount equal to or greater than the tax credit claimed on the taxpayer's tax return. Any tax credit in excess of the taxpayer's tax liability for the taxable year may be credited to the taxpayer's tax liability for the following seven taxable years or until depleted, whichever is the earlier.

Sec. 170. Section 476B.9, Code 2005, is amended to read as follows:

476B.9 REGISTRATION OF TAX CREDIT CERTIFICATES.

The ~~board shall, in conjunction with the~~ department~~,~~ <u>shall</u> develop a system for the registration of the wind energy production tax credit certificates issued or transferred under this chapter and a system that permits verification that any tax credit claimed on a tax return is valid and that transfers of the tax credit certificates are made in accordance with the requirements of this chapter. The tax credit certificates issued under this chapter shall not be classified as a security pursuant to chapter 502.

Sec. 171. <u>NEW SECTION</u>. 476B.10 RULES.

The department and the board may adopt rules pursuant to chapter 17A for the administration and enforcement of this chapter.

DIVISION XIII

PROVISIONS RELATING TO THE PRACTICE OF PHARMACY

Sec. 172. Section 155A.3, subsection 11, Code 2005, is amended to read as follows:

11. "Dispense" means to deliver a prescription drug, device, or controlled substance to an ultimate user or research subject by or pursuant to the lawful prescription drug order or medication order of a practitioner, including the prescribing, administering, packaging, labeling, or compounding necessary to prepare the substance for that delivery.

Sec. 173. Section 155A.3, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 22A. "Logistics provider" means an entity that provides or coordinates warehousing, distribution, or other services on behalf of a manufacturer or other owner of a drug, but does not take title to the drug or have general responsibility to direct its sale or other disposition.

Sec. 174. Section 155A.3, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 23A. "Pedigree" means a recording of each distribution of any given drug or device, from the sale by the manufacturer through acquisition and sale by any wholesaler, pursuant to rules adopted by the board.

Sec. 175. Section 155A.3, subsection 33, paragraph b, Code 2005, is amended to read as follows:

b. A drug or device that under federal law is required, prior to being dispensed or delivered, to be labeled with ~~either~~ one of the following statements:

(1) Caution: Federal law prohibits dispensing without a prescription.

(2) Caution: Federal law restricts this drug to use by or on the order of a licensed veterinarian.

(3) Caution: Federal law restricts this device to sale by, or on the order of, a physician.

(4) Rx only.

Sec. 176. Section 155A.3, subsection 35, Code 2005, is amended to read as follows:



35. "Proprietary medicine" or "over-the-counter medicine" means a nonnarcotic drug or device that may be sold without a prescription and that is labeled and packaged in compliance with applicable state or federal law.

Sec. 177. Section 155A.3, subsection 38, Code 2005, is amended to read as follows:

38. "Wholesaler" means a person operating or maintaining, either within or outside this state, a manufacturing plant, wholesale distribution center, wholesale business, or any other business in which prescription drugs or devices, medicinal chemicals, medicines, or poisons are sold, manufactured, compounded, dispensed, stocked, exposed, distributed from, or offered for sale at wholesale in this state. "Wholesaler" does not include those wholesalers who sell only proprietary or over-the-counter medicines. "Wholesaler" also does not include a commercial carrier that temporarily stores prescription drugs or devices, medicinal chemicals, medicines, or poisons while in transit.

Sec. 178. Section 155A.4, subsection 2, paragraph a, Code 2005, is amended to read as follows:

a. A ~~manufacturer or~~ wholesaler to distribute prescription drugs or devices as provided by state or federal law.

Sec. 179. Section 155A.13, subsection 6, unnumbered paragraph 1, Code 2005, is amended to read as follows:

To qualify for a pharmacy license, the applicant shall submit to the board a license fee as determined by the board and a completed application on a form prescribed by the board ~~that shall include the following information and~~. The application shall include the following and such other information as required by rules of the board and shall be given under oath:

Sec. 180. Section 155A.17, subsection 2, Code 2005, is amended to read as follows:

2. The board shall establish standards for drug wholesaler licensure and may define specific types of wholesaler licenses. The board may deny, suspend, or revoke a drug

wholesale license for failure to meet the applicable standards or for a violation of the laws of this state, another state, or the United States relating to prescription drugs, devices, or controlled substances, or for a violation of this chapter, chapter 124, 124A, 124B, 126, or 205, or a rule of the board.

Sec. 181. Section 155A.17, subsection 3, Code 2005, is amended to read as follows:

3. The board shall adopt rules pursuant to chapter 17A on matters pertaining to the issuance of a wholesale drug license. The rules shall provide for conditions of licensure, compliance standards, licensure fees, disciplinary action, and other relevant matters. Additionally, the rules shall establish provisions or exceptions for pharmacies, chain pharmacy distribution centers, logistics providers, and other types of wholesalers relating to pedigree requirements, drug or device returns, and other related matters, so as not to prevent or interfere with usual, customary, and necessary business activities.

Sec. 182. Section 155A.19, subsection 1, paragraph f, Code 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

f. Change of legal name or doing-business-as name.

Sec. 183. Section 155A.19, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3. A wholesaler shall report in writing to the board, pursuant to its rules, the following:

a. Permanent closing or discontinuation of wholesale distributions into this state.

b. Change of ownership.

c. Change of location.

d. Change of the wholesaler's responsible individual.

e. Change of legal name or doing-business-as name.

f. Theft or significant loss of any controlled substance on discovery of the theft or loss.

g. Disasters, accidents, and emergencies that may affect the strength, purity, or labeling of drugs, medications,



devices, or other materials used in the diagnosis or the treatment of injury, illness, and disease.

h. Other information or activities as required by rule.

Sec. 184. Section 155A.20, subsection 1, Code 2005, is amended to read as follows:

1. A person, other than a pharmacy or wholesaler licensed under this chapter, shall not display in or on any store, internet site, or place of business, nor use in any advertising or promotional literature, communication, or representation, the word or words: "apothecary", "drug", "drug store", or "pharmacy", either in English or any other language, any other word or combination of words of the same or similar meaning, or any graphic representation in a manner that would mislead the public ~~unless it is a pharmacy or drug wholesaler licensed under this chapter~~.

Sec. 185. Section 155A.21, Code 2005, is amended to read as follows:

155A.21 UNLAWFUL POSSESSION OF PRESCRIPTION DRUG OR DEVICE -- PENALTY.

1. A person found in possession of a drug or device limited to dispensation by prescription, unless the drug or device was so lawfully dispensed, commits a serious misdemeanor.

2. Subsection 1 does not apply to a licensed pharmacy, licensed wholesaler, physician, veterinarian, dentist, podiatric physician, therapeutically certified optometrist, advanced registered nurse practitioner, physician assistant, a nurse acting under the direction of a physician, or the board of pharmacy examiners, its officers, agents, inspectors, and representatives, nor to a common carrier, manufacturer's representative, or messenger when transporting the drug or device in the same unbroken package in which the drug or device was delivered to that person for transportation.

Sec. 186. Section 155A.23, Code 2005, is amended to read as follows:

155A.23 PROHIBITED ACTS.

A person shall not perform or cause the performance of or aid and abet any of the following acts:

1. ~~Obtain or attempt~~ Obtaining or attempting to obtain a prescription drug or device or ~~procure or attempt~~ procuring or attempting to procure the administration of a prescription drug or device by:

a. ~~Fraud~~ Engaging in fraud, deceit, misrepresentation, or subterfuge.

b. ~~Forgery or alteration of~~ Forging or altering a written, electronic, or facsimile prescription or ~~of~~ any written, electronic, or facsimile order.

c. ~~Concealment of~~ Concealing a material fact.

d. ~~Use of~~ Using a false name or ~~the~~ giving ~~of a~~ false address.

2. Willfully ~~make~~ making a false statement in any prescription, report, or record required by this chapter.

3. For the purpose of obtaining a prescription drug or device, falsely ~~assume~~ assuming the title of or ~~claim~~ claiming to be a manufacturer, wholesaler, pharmacist, pharmacy owner, physician, dentist, podiatric physician, veterinarian, or other authorized person.

4. ~~Make or utter~~ Making or uttering any false or forged oral, written, electronic, or facsimile prescription or oral, written, electronic, or facsimile order.

5. ~~Affix any false or forged label to a package or receptacle containing prescription drugs~~ Forging, counterfeiting, simulating, or falsely representing any drug or device without the authority of the manufacturer, or using any mark, stamp, tag, label, or other identification device without the authorization of the manufacturer.

6. Manufacturing, repackaging, selling, delivering, or holding or offering for sale any drug or device that is adulterated, misbranded, counterfeit, suspected of being counterfeit, or that has otherwise been rendered unfit for distribution.



7. Adulterating, misbranding, or counterfeiting any drug or device.

8. Receiving any drug or device that is adulterated, misbranded, stolen, obtained by fraud or deceit, counterfeit, or suspected of being counterfeit, and delivering or proffering delivery of such drug or device for pay or otherwise.

9. Adulterating, mutilating, destroying, obliterating, or removing the whole or any part of the labeling of a drug or device or committing any other act with respect to a drug or device that results in the drug or device being misbranded.

10. Purchasing or receiving a drug or device from a person who is not licensed to distribute the drug or device to that purchaser or recipient.

11. Selling or transferring a drug or device to a person who is not authorized under the law of the jurisdiction in which the person receives the drug or device to purchase or possess the drug or device from the person selling or transferring the drug or device.

12. Failing to maintain or provide records as required by this chapter, chapter 124, or rules of the board.

13. Providing the board or any of its representatives or any state or federal official with false or fraudulent records or making false or fraudulent statements regarding any matter within the scope of this chapter, chapter 124, or rules of the board.

14. Distributing at wholesale any drug or device that meets any of the following conditions:

a. The drug or device was purchased by a public or private hospital or other health care entity.

b. The drug or device was donated or supplied at a reduced price to a charitable organization.

c. The drug or device was purchased from a person not licensed to distribute the drug or device.

d. The drug or device was stolen or obtained by fraud or deceit.

15. Failing to obtain a license or operating without a valid license when a license is required pursuant to this chapter or chapter 147.

16. Engaging in misrepresentation or fraud in the distribution of a drug or device.

17. Distributing a drug or device to a patient without a prescription drug order or medication order from a practitioner licensed by law to use or prescribe the drug or device.

18. Distributing a drug or device that was previously dispensed by a pharmacy or distributed by a practitioner except as provided by rules of the board.

19. Failing to report any prohibited act.

Information communicated to a physician in an unlawful effort to procure a prescription drug or device or to procure the administration of a prescription drug shall not be deemed a privileged communication.

Subsections 6 and 7 shall not apply to the wholesale distribution by a manufacturer of a prescription drug or device that has been delivered into commerce pursuant to an application approved by the federal food and drug administration.

Sec. 187. Section 155A.24, Code 2005, is amended to read as follows:

155A.24 PENALTIES.

1. ~~A~~ Except as otherwise provided in this section, a person who violates a provision of section 155A.23 or who sells or offers for sale, gives away, or administers to another person any prescription drug or device in violation of this chapter, commits a public offense and shall be punished as follows:

a. If the prescription drug is a controlled substance, the person shall be punished pursuant to ~~section 124.401, subsection 1, and section 124.411~~ chapter 124, division IV.

b. If the prescription drug is not a controlled substance, the person, upon conviction of a first offense, is guilty of a



serious misdemeanor. For a second offense, or if in case of a first offense the offender previously has been convicted of any violation of the laws of the United States or of any state, territory, or district thereof relating to prescription drugs or devices, the offender is guilty of an aggravated misdemeanor. For a third or subsequent offense or if in the case of a second offense the offender previously has been convicted two or more times in the aggregate of any violation of the laws of the United States or of any state, territory, or district thereof relating to prescription drugs or devices, the offender is guilty of a class "D" felony.

2. A person who violates any provision of this chapter by selling, giving away, or administering any prescription drug or device to a minor is guilty of a class "C" felony.

3. A wholesaler who, with intent to defraud or deceive, fails to deliver to another person, when required by rules of the board, complete and accurate pedigree concerning a drug prior to transferring the drug to another person is guilty of a class "C" felony.

4. A wholesaler who, with intent to defraud or deceive, fails to acquire, when required by rules of the board, complete and accurate pedigree concerning a drug prior to obtaining the drug from another person is guilty of a class "C" felony.

5. A wholesaler who knowingly destroys, alters, conceals, or fails to maintain, as required by rules of the board, complete and accurate pedigree concerning any drug in the person's possession is guilty of a class "C" felony.

6. A wholesaler who is in possession of pedigree documents required by rules of the board, and who knowingly fails to authenticate the matters contained in the documents as required, and who nevertheless distributes or attempts to further distribute drugs is guilty of a class "C" felony.

7. A wholesaler who, with intent to defraud or deceive, falsely swears or certifies that the person has authenticated any documents related to the wholesale distribution of drugs or devices is guilty of a class "C" felony.

8. A wholesaler who knowingly forges, counterfeits, or falsely creates any pedigree, who falsely represents any factual matter contained in any pedigree, or who knowingly omits to record material information required to be recorded in a pedigree is guilty of a class "C" felony.

9. A wholesaler who knowingly purchases or receives drugs or devices from a person not authorized to distribute drugs or devices in wholesale distribution is guilty of a class "C" felony.

10. A wholesaler who knowingly sells, barters, brokers, or transfers a drug or device to a person not authorized to purchase the drug or device under the jurisdiction in which the person receives the drug or device in a wholesale distribution is guilty of a class "C" felony.

11. A person who knowingly manufacturers, sells, or delivers, or who possesses with intent to sell or deliver, a counterfeit, misbranded, or adulterated drug or device is guilty of the following:

a. If the person manufactures or produces a counterfeit, misbranded, or adulterated drug or device; or if the quantity of a counterfeit, misbranded, or adulterated drug or device being sold, delivered, or possessed with intent to sell or deliver exceeds one thousand units or dosages; or if the violation is a third or subsequent violation of this subsection, the person is guilty of a class "C" felony.

b. If the quantity of a counterfeit, misbranded, or adulterated drug or device being sold, delivered, or possessed with intent to sell or deliver exceeds one hundred units or dosages but does not exceed one thousand units or dosages; or if the violation is a second or subsequent violation of this subsection, the person is guilty of a class "D" felony.

c. All other violations of this subsection shall constitute an aggravated misdemeanor.

12. A person who knowingly forges, counterfeits, or falsely creates any label for a drug or device or who falsely represents any factual matter contained on any label of a drug or device is guilty of a class "C" felony.



13. A person who knowingly possesses, purchases, or brings into the state a counterfeit, misbranded, or adulterated drug or device is guilty of the following:

a. If the quantity of a counterfeit, misbranded, or adulterated drug or device being possessed, purchased, or brought into the state exceeds one hundred units or dosages; or if the violation is a second or subsequent violation of this subsection, the person is guilty of a class "D" felony.

b. All other violations of this subsection shall constitute an aggravated misdemeanor.

14. This section does not prevent a licensed practitioner of medicine, dentistry, podiatry, nursing, veterinary medicine, optometry, or pharmacy from acts necessary in the ethical and legal performance of the practitioner's profession.

15. Subsections 1 and 2 shall not apply to a parent or legal guardian administering, in good faith, a prescription drug or device to a child of the parent or a child for whom the individual is designated a legal guardian.

Sec. 188. NEW SECTION. 155A.40 CRIMINAL HISTORY RECORD CHECKS.

1. The board may request and obtain, notwithstanding section 692.2, subsection 5, criminal history data for any applicant for an initial or renewal license or registration issued pursuant to this chapter or chapter 147, any applicant for reinstatement of a license or registration issued pursuant to this chapter or chapter 147, or any licensee or registrant who is being monitored as a result of a board order or agreement resolving an administrative disciplinary action, for the purpose of evaluating the applicant's, licensee's, or registrant's eligibility for licensure, registration, or suitability for continued practice of the profession. Criminal history data may be requested for all owners, managers, and principal employees of a pharmacy or drug wholesaler licensed pursuant to this chapter. The board shall adopt rules pursuant to chapter 17A to implement this section.

The board shall inform the applicant, licensee, or registrant of the criminal history requirement and obtain a signed waiver from the applicant, licensee, or registrant prior to submitting a criminal history data request.

2. A request for criminal history data shall be submitted to the department of public safety, division of criminal investigation and bureau of identification, pursuant to section 692.2, subsection 1. The board may also require such applicants, licensees, and registrants to provide a full set of fingerprints, in a form and manner prescribed by the board. Such fingerprints may be submitted to the federal bureau of investigation through the state criminal history repository for a national criminal history check. The board may authorize alternate methods or sources for obtaining criminal history record information. The board may, in addition to any other fees, charge and collect such amounts as may be incurred by the board, the department of public safety, or the federal bureau of investigation in obtaining criminal history information. Amounts collected shall be considered repayment receipts as defined in section 8.2.

3. Criminal history information relating to an applicant, licensee, or registrant obtained by the board pursuant to this section is confidential. The board may, however, use such information in a license or registration denial proceeding. In a disciplinary proceeding, such information shall constitute investigative information under section 272C.6, subsection 4, and may be used only for purposes consistent with that section.

4. This section shall not apply to a manufacturer of a prescription drug or device that has been delivered into commerce pursuant to an application approved by the federal food and drug administration.

Sec. 189. NEW SECTION. 155A.41 CONTINUOUS QUALITY IMPROVEMENT PROGRAM.

1. Each licensed pharmacy shall implement or participate in a continuous quality improvement program to review pharmacy



procedures in order to identify methods for addressing pharmacy medication errors and for improving patient use of medications and patient care services. Under the program, each pharmacy shall assess its practices and identify areas for quality improvement.

2. The board shall adopt rules for the administration of a continuous quality improvement program. The rules shall address all of the following:

a. Program requirements and procedures.

b. Program record and reporting requirements.

c. Any other provisions necessary for the administration of a program.

CHRISTOPHER C. RANTS
Speaker of the House

JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 882, Eighty-first General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Item Veto
Approved June 16, 2005

THOMAS J. VILSACK
Governor