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House File 501 - Introduced

HOUSE FILE 501
BY MASCHER, STAED, and
WINCKLER

A BILL FOR

An Act restricting the sale and use of pesticides containing compounds belonging to the neonicotinoid class of chemicals, making penalties applicable, and including applicability provisions.

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

TLSB 1033YH (6) 89
da/ns

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Section 1. Section 206.20, Code 2021, is amended to read as follows:

206.20 Restricted use pesticides classified.

1. The secretary shall determine, by rule, the pesticides to be classified as restricted use pesticides. In determining these rules the secretary shall take into consideration the pesticides classified as restricted use by the United States environmental protection agency and is authorized to adopt by reference these classifications.

2. *a.* A pesticide containing a compound belonging to the neonicotinoid class of chemicals shall be classified as a restricted use pesticide.

b. A compound belonging to the neonicotinoid class of chemicals shall at least include all of the following:

(1) Acetamiprid.

(2) Clothianidin.

(3) Dinotefuran.

(4) Imidacloprid.

(5) Nitenpyram.

(6) Nithiazine.

(7) Thiacloprid.

(8) Thiamethoxam.

c. The department may adopt by rule other compounds belonging to the neonicotinoid class of chemicals.

Sec. 2. APPLICABILITY. This Act applies to the use of a pesticide containing a compound belonging to the neonicotinoid class of chemicals as a restricted use pesticide as provided in chapter 206, if such pesticide was purchased on and after January 1, 2022.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

GENERAL. This bill classifies a pesticide containing a compound belonging to the neonicotinoid class of chemicals as a restricted use pesticide subject to special regulations.

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BACKGROUND. State law regulates the offer for sale, sale, purchase, and use of pesticides as administered and enforced by the department of agriculture and land stewardship (DALS) (Code chapter 206). A pesticide is broadly defined to include a substance used to control insects, rodents, nematodes, fungi, and weeds (Code section 206.2(21)).

Generally, a pesticide dealer licensed by DALS is prohibited from offering for sale or selling a restricted use pesticide to a person other than a commercial, public, or private applicator certified by DALS, and the dealer or applicator may also be subject to certain recordkeeping requirements (see Code section 206.5, 21 IAC 45.26, 21 IAC 45.51, and 40 CFR 152.170). A neonicotinoid is derived from nicotine, acts as a neurotoxin, and is used as an insecticide when managing plant production through a wide variety of methods including by spraying crops and treating crop seeds. It is also used in nursery and garden care products, as part of animal husbandry practices (including livestock and pet care), and in aquaculture.

PENALTY. A person who violates a provision of Code chapter 206 is guilty of a serious misdemeanor (Code section 206.22(2)). A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $430 but not more than $2,560.

APPLICABILITY PROVISIONS. The bill applies to the use of a pesticide containing a compound belonging to the neonicotinoid class of chemicals as a restricted use pesticide, so long as such pesticide was purchased on and after January 1, 2022.

House File 502 - Introduced

HOUSE FILE 502
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 119)

A BILL FOR

1 An Act relating to various matters under the purview of
2 the insurance division of the department of commerce,
3 providing fees, making an appropriation, and resolving
4 inconsistencies.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1333HV (4) 89
ko/rn

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DIVISION I

UNIFORM SECURITIES

Section 1. Section 502.304A, subsection 3, paragraph g, Code 2021, is amended to read as follows:

g. The issuer must pay to the administrator a fee ~~of one hundred dollars~~ established by the administrator by rule and is not required to pay the filing fee set forth in section 502.305, subsection 2.

Sec. 2. Section 502.304A, subsection 5, Code 2021, is amended to read as follows:

5. *Agent registration.* In connection with an offering registered under this section, a person may be registered as an agent of the issuer under section 502.402 by the filing of an application by the issuer with the administrator for the registration of the person as an agent of the issuer and the paying of a fee ~~of ten dollars~~ established by the administrator by rule. Notwithstanding any other provision of this chapter, the registration of the agent shall be effective until withdrawn by the issuer or until the securities registered pursuant to the registration statement have all been sold, whichever occurs first. The registration of an agent shall become effective when ordered by the administrator or on the fifth business day after the agent's application has been filed with the administrator, whichever occurs first, and the administrator shall not impose further conditions upon the registration of the agent. However, the administrator may deny, revoke, suspend, or withdraw the registration of the agent at any time as provided in section 502.412. An agent registered solely pursuant to this section is entitled to sell only securities registered under this section.

Sec. 3. Section 502.321G, Code 2021, is amended to read as follows:

502.321G Fees.

The administrator shall charge a nonrefundable filing fee ~~of two hundred fifty dollars~~ established by the administrator by

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rule for a registration statement filed by an offeror. The fee shall be deposited as provided in section 505.7.

Sec. 4. Section 502.410, Code 2021, is amended to read as follows:

502.410 Filing fees.

1. *Broker-dealers.* A person shall pay a fee ~~of two hundred dollars~~ established by the administrator by rule when initially filing an application for registration as a broker-dealer and ~~a fee of two hundred dollars~~ when filing a renewal of registration as a broker-dealer. If the filing results in a denial or withdrawal, the administrator shall retain the fee.

2. *Agents.* The fee for an individual ~~is forty dollars when~~ filing an application for registration as an agent, ~~a fee of forty dollars when~~ filing a renewal of registration as an agent, ~~and a fee of forty dollars when~~ or filing for a change of registration as an agent shall be established by the administrator by rule. Of each ~~forty-dollar~~ fee collected, ~~ten dollars~~ twenty-five percent is appropriated to the securities investor education and financial literacy training fund established under section 502.601, subsection 5. If the filing results in a denial or withdrawal, the administrator shall retain the fee.

3. *Investment advisers.* A person shall pay a fee ~~of one hundred dollars~~ established by the administrator by rule when filing an application for registration as an investment adviser and ~~a fee of one hundred dollars~~ when filing a renewal of registration as an investment adviser. If the filing results in a denial or withdrawal, the administrator shall retain the fee.

4. *Investment adviser representatives.*

~~*a.*~~ The fee for an individual ~~is thirty dollars~~ when filing an application for registration as an investment adviser representative, ~~a fee of thirty dollars~~ when filing a renewal of registration as an investment adviser representative, ~~and a fee of thirty dollars~~ or when filing a change of registration

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as an investment adviser representative shall be the amount established by the administrator by rule. If the filing results in a denial or withdrawal, the administrator shall retain the fee.

~~*b.* However, an~~ An investment adviser representative ~~is~~ shall not be required to pay a filing fee if the investment adviser is a sole proprietorship or the substantial equivalent, and the investment adviser representative is the same individual as the investment adviser.

5. *Federal covered investment advisers.* A federal covered investment adviser required to file a notice under section 502.405 shall pay an initial fee ~~of one hundred dollars~~ and an annual notice fee ~~of one hundred dollars~~ in an amount established by the administrator by rule.

6. *Payment.* A person required to pay a ~~filing or notice~~ fee under this section may transmit the fee through or to a designee as ~~a~~ permitted by the administrator by rule or by order ~~provides~~ issued by the administrator under this chapter.

7. *Deposit of fees.* Except as otherwise provided in subsection 2, fees collected under this section shall be deposited as provided in section 505.7.

DIVISION II

INSURANCE

Sec. 5. Section 505.30, subsection 2, Code 2021, is amended to read as follows:

2. The commissioner may collect a reasonable fee, established by the commissioner by rule, each time service of process is made on the commissioner as set forth in subsection 1 or as otherwise allowed by law. A fee collected by the commissioner under this subsection shall be used and is appropriated to the insurance division to offset the costs of the commissioner acting as agent or attorney for service of process. The party to a proceeding requesting service of process is entitled to recover the fee paid pursuant to this subsection and any rules adopted under this section as costs if

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the party prevails in the proceeding.

Sec. 6. Section 507A.4, subsection 9, Code 2021, is amended by striking the subsection and inserting in lieu thereof the following:

9. Transactions involving a multiple employer welfare arrangement as defined in section 3 of the federal Employee Retirement Income Security Act of 1974, 29 U.S.C. §1002, paragraph 40, or a multiple employer welfare arrangement formed as an association health plan pursuant to 29 C.F.R. pt. 2510 that complies with chapter 513D.

Sec. 7. Section 507B.7, Code 2021, is amended to read as follows:

507B.7 ~~Cease and desist orders~~ Orders and penalties.

1. If, after hearing, the commissioner determines that a person has engaged in an unfair method of competition or an unfair or deceptive act or practice, the commissioner shall reduce the findings to writing and shall issue and cause to be served upon the person charged with the violation a copy of such findings, an order requiring such person to cease and desist from engaging in such method of competition, act, or practice, and the commissioner may at the commissioner's discretion order any one or more of the following:

a. Payment of a civil penalty of not more than one thousand dollars for each act or violation of this subtitle, but not to exceed an aggregate of ten thousand dollars, unless the person knew or reasonably should have known the person was in violation of this subtitle, in which case the penalty shall be not more than five thousand dollars for each act or violation, but not to exceed an aggregate penalty of fifty thousand dollars in any one six-month period. If the commissioner finds that a violation of this subtitle was directed, encouraged, condoned, ignored, or ratified by the employer of the person or by an insurer, the commissioner shall also assess a penalty to the employer or insurer.

b. Suspension or revocation of the license of a person as

defined in section 507B.2, subsection 1, if the person knew or reasonably should have known the person was in violation of this subtitle.

c. Payment of interest at the rate of ten percent per annum if the commissioner finds that the insurer failed to pay interest as required under section 507B.4, subsection 3, paragraph *"p"*.

2. Until the expiration of the time allowed under section 507B.8 for filing a petition for review if no such petition has been duly filed within such time, or, if a petition for review has been filed within such time, then until the transcript of the record in the proceeding has been filed in the district court, the commissioner may at any time, upon such notice and in such manner as the commissioner may deem proper, modify or set aside in whole or in part any order issued by the commissioner under this section.

3. After the expiration of the time allowed for filing such a petition for review if no such petition has been duly filed within such time, the commissioner may at any time, after notice and opportunity for hearing, reopen and alter, modify, or set aside, in whole or in part, any order issued by the commissioner under this section, whenever in the commissioner's opinion conditions of fact or of law have so changed as to require such action, or if the public interest shall so require.

4. Any person who violates ~~a cease and desist~~ an order of the commissioner, and while such order is in effect, may, after notice and hearing and upon order of the commissioner, be subject at the discretion of the commissioner to any one or more of the following:

a. A monetary penalty of not more than ten thousand dollars for each and every act or violation. A penalty collected under this lettered paragraph shall be deposited as provided in section 505.7.

b. Suspension or revocation of such person's license.

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Sec. 8. Section 507E.2A, subsection 2, Code 2021, is amended to read as follows:

2. *"Insurer"* ~~includes an insurer~~ means any corporation, association, partnership, or individual engaged in the business of insurance, including but not limited to a corporation, association, partnership, or individual that issues a policy of workers' compensation, a self-insured business for purposes of workers' compensation liability, or a group or self-insured plan as described in section 87.4. *"Insurer"* does not include a person required to be licensed to sell, solicit, or negotiate insurance pursuant to chapter 522B.

Sec. 9. Section 507E.8, Code 2021, is amended to read as follows:

507E.8 Law enforcement authority.

1. An individual employed by the division and designated as a peace officer shall be considered a law enforcement officer as that term is defined in section 80B.3, and shall exercise the powers of a law enforcement officer as follows:

a. For purposes of an arrest resulting from a criminal violation of any provision of the Code subject to the jurisdiction of the commissioner established as a result of an investigation pursuant to this chapter~~, an insurance fraud bureau investigator shall have the authority and status of a law enforcement officer pursuant to section 80B.3, subsection 3~~.

b. While conducting an investigation or engaged in an assignment authorized by this chapter or ordered by the commissioner.

c. To protect life if a public offense is committed in the presence of the peace officer.

d. While providing assistance to a law enforcement agency or another law enforcement officer.

e. While providing assistance at the request of a member of the public.

2. ~~The laws~~ Laws applicable to an arrest of an individual

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by a law enforcement officer of the state shall apply to an ~~insurance fraud bureau investigator~~ individual employed by the division and designated as a peace officer. An ~~insurance fraud bureau investigator~~ individual employed by the division and designated as a peace officer shall have the power to execute arrest warrants and search warrants, serve subpoenas issued for the examination, investigation, and trial of all offenses identified through the course of an investigation conducted pursuant to this section, and arrest upon probable cause without warrant a person found in the act of committing a violation of ~~a provision of~~ this chapter or a law of this state.

Sec. 10. Section 508E.2, subsection 14, Code 2021, is amended to read as follows:

14. *"Viatical settlement broker"* means a person, including a life insurance producer ~~as provided for in section 508E.3~~, who, working exclusively on behalf of a viator and for a fee, commission, or other valuable consideration, offers or attempts to negotiate viatical settlement contracts between a viator and one or more viatical settlement providers or one or more viatical settlement brokers. Notwithstanding the manner in which the viatical settlement broker is compensated, a viatical settlement broker is deemed to represent only the viator, and not the insurer or the viatical settlement provider, and owes a fiduciary duty to the viator to act according to the viator's instructions and in the best interest of the viator. *"Viatical settlement broker"* does not include an attorney, certified public accountant, or a financial planner accredited by a nationally recognized accreditation agency who is retained to represent the viator and whose compensation is not paid directly or indirectly by the viatical settlement provider or purchaser.

Sec. 11. Section 508E.3, subsections 2 and 3, Code 2021, are amended to read as follows:

2. An application for a viatical settlement provider

or viatical settlement broker license shall be made to the commissioner by the applicant on a form prescribed by the commissioner, and the application shall be accompanied by a fee ~~of not more than one hundred dollars~~ as provided by rules adopted by the commissioner.

3. A viatical settlement provider or viatical settlement broker license term shall be three years and the license may be renewed upon payment of a renewal fee ~~of not more than one hundred dollars~~ as provided by rules adopted by the commissioner. A failure to pay the fee by the renewal date shall result in expiration of the license.

Sec. 12. Section 509.1, subsection 9, Code 2021, is amended to read as follows:

9. A policy of group health insurance coverage issued to ~~an associated health plan~~ a multiple employer welfare arrangement pursuant to ~~section 513D.1~~ chapter 513D that is subject to regulation by the commissioner.

Sec. 13. Section 509.19, subsection 2, paragraph d, Code 2021, is amended to read as follows:

d. A multiple employer welfare arrangement, as defined in section 3 of the federal Employee Retirement Income Security Act of 1974, 29 U.S.C. §1002~~(40)~~, paragraph 40, or a multiple employer welfare arrangement formed as an association health plan pursuant to 29 C.F.R. pt. 2510, that meets the requirements of ~~section 507A.4, subsection 9, paragraph "a"~~ chapter 513D.

Sec. 14. Section 509A.15, subsection 1, paragraph a, unnumbered paragraph 1, Code 2021, is amended to read as follows:

Within ninety calendar days following the end of a fiscal year, the governing body of a self-insurance plan of a political subdivision or a school corporation shall file with the commissioner of insurance a certificate of compliance, actuarial opinion, and an annual financial report. The filing shall be accompanied by a fee ~~of one hundred dollars~~

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established by the commissioner by rule. A ~~penalty of fifteen dollars per day~~ late fee established by the commissioner by rule shall be assessed for failure to comply with the ~~ninety-day~~ ninety-calendar-day filing requirement, except that the commissioner may waive the ~~penalty~~ late fee upon a showing that special circumstances exist which justify the waiver. The certificate shall be signed and dated by the appropriate public official representing the governing body, and shall certify the following:

Sec. 15. Section 510.21, Code 2021, is amended to read as follows:

510.21 ~~Certificate of registration required~~ Certificates — registration and renewal.

A person shall not act as or represent oneself to be a third-party administrator in this state, other than an adjuster licensed in this state for the kinds of business for which the person is acting as a third-party administrator, unless the person holds a current certificate of registration as a third-party administrator issued by the commissioner of insurance. A certificate of registration as a third-party administrator ~~is renewable~~ shall be renewed every three years. Failure to hold a current certificate ~~subjects the~~ of registration shall subject a third-party administrator to the sanctions set out in section 507B.7. ~~The~~ An application for a certificate of registration shall be accompanied by a filing fee as established by the commissioner by rule. A certificate of registration shall be issued by the commissioner to a third-party administrator unless the commissioner~~,~~ ~~after due notice and hearing,~~ determines that the third-party administrator is not competent, trustworthy, financially responsible, ~~or~~ of good personal and business reputation, or has had ~~a previous~~ an application for an insurance license denied for cause within the preceding five years.

~~An application for registration shall be accompanied by a filing fee of one hundred dollars. After notice and hearing,~~

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~~the commissioner may impose any or all of the sanctions set out in section 507B.7, upon finding that either the third-party administrator violated any of the requirements of sections 510.12 through 510.20 and this section, or the third-party administrator is not competent, trustworthy, financially responsible, or of good personal and business reputation.~~ If the commissioner denies an application for registration or renewal, a written notice that specifies the reasons for the denial or nonrenewal shall be provided to the applicant. Pursuant to chapter 17A, upon the applicant's request, the commissioner shall grant the applicant a hearing on the denial or nonrenewal.

Sec. 16. Section 510.23, Code 2021, is amended by striking the section and inserting in lieu thereof the following:

510.23 Violations and penalties.

1. If, after hearing, the commissioner determines that a third-party administrator has violated this chapter, or chapter 507B, the commissioner may order any one or more of the sanctions or penalties set out in section 507B.7.

2. If, after hearing, the commissioner determines that a person has aided and abetted a third-party administrator in commission of a violation of this chapter, or chapter 507B, the commissioner may order any one or more of the sanctions or penalties set out in section 507B.7.

3. If, after hearing, the commissioner determines that a third-party administrator is not competent, trustworthy, financially responsible, or of good personal and business reputation, the commissioner may order any one or more of the sanctions and penalties set out in section 507B.7.

Sec. 17. Section 511.24, Code 2021, is amended to read as follows:

511.24 ~~Fees from domestic~~ Domestic and foreign companies — fees.

When not otherwise provided, a foreign or domestic life insurance company doing business in this state shall pay ~~to the~~

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~~commissioner of insurance the following fees~~ a fee, established by the commissioner by rule, for all of the following:

1. For filing an application to do business, or an application to renew a certificate of authority~~, fifty dollars~~.

2. For issuing a certificate of authority to do business in this state, or for renewing a certificate~~, fifty dollars~~.

3. For filing amended articles of incorporation~~, fifty dollars~~.

4. For issuing an amended certificate of authority~~, twenty-five dollars~~.

5. For affixing the official seal to any paper filed with the division~~, ten dollars~~.

Sec. 18. Section 512B.24, Code 2021, is amended to read as follows:

512B.24 ~~Reports~~ Annual statement.

~~Reports shall be filed in accordance with this section.~~

1. A society transacting business in this state shall, on or before March 1 ~~annually~~, unless for cause shown the time has been extended by the commissioner, ~~shall~~ annually file with the commissioner a true statement of ~~its~~ the society's financial condition, transactions, and affairs for the preceding calendar year and shall pay a fee ~~of fifty dollars~~ established by the commissioner by rule. The statement may be in general form and content as approved by the national association of insurance commissioners for fraternal benefit societies and shall be supplemented by additional information as adopted by rule of the commissioner.

2. As part of ~~the~~ a society's annual statement, ~~a~~ the society shall, on or before March 1, file with the commissioner ~~of insurance~~ a valuation of ~~its~~ the society's certificates in force on the ~~last~~ preceding December 31. However, the commissioner may, for cause shown, extend the time for filing the valuation for not more than two consecutive calendar months. The valuation shall be ~~done~~ completed in ~~accordance~~ compliance with ~~the standards specified in~~ section 512B.23.

The valuation and underlying data shall be certified by a qualified actuary or, at the expense of the society, verified by the actuary of the department of insurance of the state of domicile of the society.

3. A society failing to file the society's annual statement in ~~the form and within the time provided by~~ compliance with this section shall forfeit one hundred dollars for each day during which the default continues, and, upon notice by the commissioner ~~to that effect~~, the society's authority to do business in this state shall cease ~~while~~ during the duration of the default ~~continues~~.

Sec. 19. Section 512B.25, Code 2021, is amended to read as follows:

512B.25 Annual license — renewal.

~~The authority of a society to transact business in this state may be renewed annually.~~ A society's license ~~terminates~~ to transact business in this state shall terminate on the first day of June following the issuance or the renewal of the society's license. A society shall submit annually on or before March 1 a completed application for renewal of its license. For each license or renewal the society shall pay the commissioner a fee ~~of fifty dollars~~ established by the commissioner by rule. A society that fails to timely file an application for renewal shall pay ~~an administrative penalty of five hundred dollars to the treasurer of state for deposit as provided in section 505.7~~ a late fee as established by the commissioner by rule. A duly certified copy or duplicate of ~~the~~ a society's license is prima facie evidence that the licensee is a fraternal benefit society within the meaning of this chapter.

Sec. 20. Section 513D.1, Code 2021, is amended by striking the section and inserting in lieu thereof the following:

513D.1 Multiple employer welfare arrangements and association health plans.

1. As used in this chapter, unless the context otherwise

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requires:

a. *"Association health plan"* or *"AHP"* means a multiple employer welfare arrangement formed as an association health plan pursuant to 29 C.F.R. pt. 2510.

b. *"Commissioner"* means the commissioner of insurance.

c. *"Multiple employer welfare arrangement"* or *"MEWA"* means a multiple employer welfare arrangement as defined in section 3 of the federal Employee Retirement Income Security Act of 1974, 29 U.S.C. §1002, paragraph 40.

2. An AHP or MEWA that offers a plan to, or maintains a group health plan for, any resident of this state shall be subject to the jurisdiction of the commissioner and shall comply with all of the following requirements:

a. The AHP or MEWA must be administered by an insurer authorized to do the business of insurance in this state or an authorized third-party administrator that holds a current certificate of registration pursuant to section 510.21.

b. The AHP or MEWA must be established by a trade, industry, or professional association of employers that has a constitution or bylaws, is organized and maintained in good faith, and has membership stability as defined by rules adopted by the commissioner.

c. The AHP or MEWA must register with the commissioner and obtain and maintain a certificate of registration issued by the commissioner.

d. The AHP or MEWA shall comply with all rules and solvency standards established by rules adopted by the commissioner.

3. An AHP or MEWA that does not meet the solvency standards pursuant to subsection 2, paragraph *"d"*, shall be subject to chapter 507C.

4. An AHP or MEWA that meets all of the requirements of subsection 2 shall not be considered any of the following:

a. An insurance company or association of whatever kind or character under section 432.1.

b. A member of the Iowa individual health benefit

reinsurance association pursuant to section 513C.10, subsection 1.

c. A member insurer of the Iowa life and health insurance guaranty association pursuant to section 508C.5.

5. An AHP or MEWA that is registered with the commissioner pursuant to subsection 2, paragraph *"c"*, shall annually file with the commissioner on or before March 1 a copy of the report required to be filed by the AHP or MEWA with the United States department of labor pursuant to 29 C.F.R. §2520.101-2.

6. An AHP or MEWA that is registered with the commissioner pursuant to subsection 2, paragraph *"c"*, shall annually file with the commissioner a report on or before March 1 for the preceding calendar year. The annual report shall contain the information and be in a form and manner as prescribed by the commissioner.

7. A foreign or domestic AHP or MEWA doing business in the state shall pay fees as prescribed by the commissioner unless otherwise provided by law.

8. A MEWA that is recognized as tax-exempt under Internal Revenue Code section 501(c)(9) and that is registered with the commissioner prior to January 1, 2018, shall not be considered an AHP unless the MEWA affirmatively elects to be treated as an AHP.

Sec. 21. Section 513D.2, subsection 1, Code 2021, is amended to read as follows:

1. The commissioner of insurance shall adopt rules~~,~~ as necessary~~,~~ pursuant to chapter 17A to administer this chapter.

Sec. 22. Section 514G.103, subsection 10, Code 2021, is amended to read as follows:

10. *"Independent review* ~~*entity*~~ *organization"* means a review ~~entity~~ organization certified by the commissioner pursuant to section 514G.110, subsection 4.

Sec. 23. Section 514G.110, subsections 4, 5, 6, 7, 8, and 9, Code 2021, are amended to read as follows:

4. *Qualifications of independent review* ~~*entities*~~

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organizations. The commissioner shall maintain a list of qualified independent review ~~entities~~ organizations that are certified by the commissioner. Independent review ~~entities~~ organizations shall be recertified by the commissioner every two years in order to remain on the list. In order to be certified, an independent review ~~entity~~ organization shall meet all of the following criteria:

a. Have on staff, or contract with, a qualified, licensed health care professional in an appropriate field for determining an insured's functional or cognitive impairment who can conduct an independent review.

(1) In order to be qualified, a licensed health care professional who is a physician shall hold a current certification by a recognized American medical specialty board in a specialty appropriate for determining an insured's functional or cognitive impairment.

(2) In order to be qualified, a licensed health care professional who is not a physician shall hold a current certification in the specialty in which that person is licensed, by a recognized American specialty board in a specialty appropriate for determining an insured's functional or cognitive impairment.

b. Ensure that any licensed health care professional who conducts an independent review has no history of disciplinary actions or sanctions, including but not limited to the loss of staff privileges or any participation restrictions taken or pending by any hospital or state or federal government regulatory agency.

c. Ensure that the independent review ~~entity~~ organization or any of its employees, agents, or licensed health care professionals utilized does not receive compensation of any type that is dependent on the outcome of a review.

d. Ensure that the independent review ~~entity~~ organization or any of its employees, agents, or licensed health care professionals utilized are not in any manner related to,

employed by, or affiliated with the insured or with a person who previously provided medical care to the insured.

e. Ensure that an independent review ~~entity~~ organization or any of its employees, agents, or licensed health care professionals utilized is not a subsidiary of, or owned or controlled by, an insurer or by a trade association of insurers of which the insurer is a member.

f. Have a quality assurance program on file with the commissioner that ensures the timeliness and quality of reviews performed, the qualifications and independence of the licensed health care professionals who perform the reviews, and the confidentiality of the review process.

g. Have on staff or contract with a licensed health care practitioner, as defined in section 514G.103, subsection 3, who is qualified to certify that an individual is chronically ill for purposes of a qualified long-term care insurance contract.

5. *Independent review process.* The independent review process shall be conducted as follows:

a. Within three business days of receiving a notice from the commissioner of the certification of a request for independent review or receipt of a denial of an insurer's appeal from such a certification, the insurer shall do all of the following:

(1) Select an independent review ~~entity~~ organization from the list certified by the commissioner and notify the insured in writing of the name, address, and telephone number of the selected independent review ~~entity selected~~ organization. The selected independent review ~~entity selected~~ organization shall utilize a licensed health care professional with qualifications appropriate to the benefit trigger determination that is under review.

(2) Notify the independent review ~~entity~~ organization that it has been selected to conduct an independent review of a benefit trigger determination and provide sufficient descriptive information to enable the independent review ~~entity~~ organization to provide licensed health care professionals who

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will be qualified to conduct the review.

(3) Provide the commissioner with a copy of the notices sent to the insured and to the selected independent review ~~entity selected~~ organization.

b. Within three business days of receiving a notice from an insurer that it has been selected to conduct an independent review, the independent review ~~entity~~ organization shall do one of the following:

(1) Accept its selection as the independent review ~~entity~~ organization, designate a qualified licensed health care professional to perform the independent review, and provide notice of that designation to the insured and the insurer, including a brief description of the health care professional's qualifications and the reasons that person is qualified to determine whether the insured's benefit trigger has been met. A copy of this notice shall be sent to the commissioner via facsimile. The independent review ~~entity~~ organization is not required to disclose the name of the health care professional selected.

(2) Decline its selection as the independent review ~~entity~~ organization or, if the independent review ~~entity~~ organization does not have a licensed health care professional who is qualified to conduct the independent review available, request additional time from the commissioner to have a qualified licensed health care professional certified, and provide notice to the insured, the insurer, and the commissioner. The commissioner shall notify the independent review ~~entity~~ organization, the insured, and the insurer of how to proceed within three business days of receipt of such notice from the independent review ~~entity~~ organization.

c. An insured may object to the independent review ~~entity~~ organization selected by the insurer or to the licensed health care professional designated by the independent review ~~entity~~ organization to conduct the review by filing a notice of objection along with reasons for the objection, with the

commissioner within ten days of receipt of a notice sent by the independent review ~~entity~~ organization pursuant to paragraph *"b"*. The commissioner shall consider the insured's objection and shall notify the insured, the insurer, and the independent review ~~entity~~ organization of the commissioner's decision to sustain or deny the objection within two business days of receipt of the objection.

d. Within five business days of receiving a notice from the independent review ~~entity~~ organization accepting its selection or within five business days of receiving a denial of an objection to the independent review ~~entity~~ organization selected, whichever is later, the insured may submit any information or documentation in support of the insured's claim to both the independent review ~~entity~~ organization and the insurer.

e. Within fifteen days of receiving a notice from the independent review ~~entity~~ organization accepting its selection or within three business days of receipt of a denial of an objection to the independent review ~~entity~~ organization selected, whichever is later, an insurer shall do all of the following:

(1) Provide the independent review ~~entity~~ organization with any information submitted to the insurer by the insured in support of the insured's internal appeal of the insurer's benefit trigger determination.

(2) Provide the independent review ~~entity~~ organization with any other relevant documents used by the insurer in making its benefit trigger determination.

(3) Provide the insured and the commissioner with confirmation that the information required under subparagraphs (1) and (2) has been provided to the independent review ~~entity~~ organization, including the date the information was provided.

f. The independent review ~~entity~~ organization shall not commence its review until fifteen days after the selection of the independent review ~~entity~~ organization is final including

the resolution of any objection made pursuant to paragraph *"c"*. During this time period, the insurer may consider any information provided by the insured pursuant to paragraph *"d"* and overturn or affirm the insurer's benefit trigger determination based on such information. If the insurer overturns its benefit trigger determination, the independent review process shall immediately cease.

g. In conducting a review, the independent review ~~entity~~ organization shall consider only the information and documentation provided to the independent review ~~entity~~ organization pursuant to paragraphs *"d"* and *"e"*.

h. The independent review ~~entity~~ organization shall submit its decision as soon as possible, but not later than thirty days from the date the independent review ~~entity~~ organization receives the information required under paragraphs *"d"* and *"e"*, whichever is received later. The decision shall include a description of the basis for the decision and the date of the benefit trigger determination to which the decision relates. The independent review ~~entity~~ organization, for good cause, may request an extension of time from the commissioner to file its decision. A copy of the decision shall be mailed to the insured, the insurer, and the commissioner.

i. All medical records submitted for use by the independent review ~~entity~~ organization shall be maintained as confidential records as required by applicable state and federal laws. The commissioner shall keep all information obtained during the independent review process confidential pursuant to section 505.8, subsection 8, except that the commissioner may share some information obtained as provided under section 505.8, subsection 8, and as required by this chapter and rules adopted pursuant to this chapter.

j. If an insured dies before completion of the independent review, the review shall continue to completion if there is potential liability of an insurer to the estate of the insured or to a provider for rendering qualified long-term care

1 services to the insured.
2 6. *Costs.* All reasonable fees and costs of the independent
3 review ~~entity incurred~~ organization in conducting an
4 independent review under this section shall be paid by the
5 insurer.
6 7. *Immunity.* An independent review ~~entity~~ organization that
7 conducts a review under this section is not liable for damages
8 arising from determinations made during the review. Immunity
9 does not apply to any act or omission made by an independent
10 review ~~entity~~ organization in bad faith or that involves gross
11 negligence.
12 8. *Effect of independent review decision.*
13 *a.* The review decision by the independent review ~~entity~~
14 organization conducting the review is binding on the insurer.
15 *b.* The independent review process set forth in this section
16 shall not be considered a contested case under chapter 17A.
17 *c.* An insured may appeal the review decision by the
18 independent review ~~entity~~ organization conducting the review
19 by filing a petition for judicial review in the district court
20 in the county in which the insured resides. The petition for
21 judicial review shall be filed within fifteen business days
22 after the issuance of the review decision by the independent
23 review organization. The petition shall name the insured
24 as the petitioner and the insurer as the respondent. The
25 petitioner shall not name the independent review ~~entity~~
26 organization as a party. The commissioner shall not be named
27 as a respondent unless the insured alleges action or inaction
28 by the commissioner under the standards articulated under
29 section 17A.19, subsection 10. Allegations made against the
30 commissioner under section 17A.19, subsection 10, must be
31 stated with particularity. The commissioner may, upon motion,
32 intervene in a judicial review proceeding brought pursuant to
33 this paragraph. The findings of fact by the independent review
34 ~~entity~~ organization conducting the review are conclusive and
35 binding on appeal.

d. An insurer shall not be subject to any penalties, sanctions, or damages for complying in good faith with a review decision rendered by an independent review ~~entity~~ organization pursuant to this section.

e. Nothing contained in this section or in section 514G.109 shall be construed to limit the right of an insurer to assert any rights an insurer may have under a long-term care insurance policy related to:

(1) An insured's misrepresentation.

(2) Changes in the insured's benefit eligibility.

(3) Terms, conditions, and exclusions contained in the policy, other than failure to meet the benefit trigger.

f. The requirements of this section and section 514G.109 are not applicable to a group long-term care insurance policy that is governed by the federal Employee Retirement Income Security Act of 1974, as codified at 29 U.S.C. ~~§100~~ §1001 et seq.

g. The provisions of this section and section 514G.109 are in lieu of and supersede any other third-party review requirement contained in chapter 514J or in any other provision of law.

h. The insured may bring an action in the district court in the county in which the insured resides to enforce the review decision of the independent review ~~entity~~ organization conducting the review or the decision of the court on appeal.

9. *Receipt of notice.* Notice required by this section shall be deemed received within five days after the date of mailing.

Sec. 24. Section 515.147, Code 2021, is amended to read as follows:

515.147 Fees.

Fees, established by the commissioner of insurance by rule, shall be paid to the commissioner of insurance for deposit as provided in section 505.7 ~~as follows~~ for all of the following:

1. For filing an application to do business, including all documents submitted in connection with the application, by a foreign or domestic company, or for filing an application for

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renewed authority~~, fifty dollars~~.

2. For issuing to a foreign or domestic company a certificate of authority to do business or a renewed certificate of authority~~, fifty dollars~~.

3. For filing amended articles of incorporation~~, fifty dollars~~.

4. For issuing an amended certificate of authority~~, twenty-five dollars~~.

5. For affixing the official seal to any paper filed with the division~~, ten dollars~~.

Sec. 25. Section 515A.2, subsection 1, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0a.* *"Commissioner"* means the commissioner of insurance.

Sec. 26. Section 515A.6, subsection 1, paragraph c, Code 2021, is amended to read as follows:

c. Licenses issued pursuant to this section shall remain in effect for three years unless sooner suspended or revoked by the commissioner. The ~~fee for the~~ license fee shall be ~~one hundred dollars~~ established by the commissioner by rule.

Sec. 27. Section 515A.6, subsection 7, Code 2021, is amended to read as follows:

7. Notwithstanding any ~~other provision of the Code~~ law to the contrary, the commissioner ~~of insurance~~ shall provide for a hearing in a proceeding involving a workers' compensation insurance rate filing by a licensed rating organization in accordance with the provisions of this subsection and rules promulgated by the commissioner ~~of insurance~~ pursuant to chapter 17A. Except as otherwise provided herein, the provisions of this subsection shall not be subject to the requirements of chapter 17A. The procedures for such hearing shall be as follows:

a. The commissioner shall provide notice of the filing of the proposed rates at least thirty days before the effective date of the proposed rates by publishing a notice on the

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internet site of the insurance division of the department of commerce.

b. A public hearing shall be held on the proposed rates by the commissioner ~~of insurance~~ if within fifteen days of the date of publication a workers' compensation policyholder or an established organization with one or more workers' compensation policyholders among its members files a written demand with the commissioner ~~of insurance~~ for a hearing on the proposed rates.

c. The commissioner ~~of insurance~~ shall hold the hearing within twenty days after receipt of the written demand for a hearing and shall give not less than ten days written notice of the time and place of the hearing to the person or association filing the demand, to the rating organization, and to any other person requesting such notice.

d. At any such hearing, the rating organization shall bear the burden of proof to support the proposed rates by a preponderance of the evidence. The person or association requesting the hearing, and any other person admitted as a party to the proceeding, shall be given the opportunity to respond and introduce evidence and arguments on all the issues involved.

e. Within fifteen days after the start of the hearing, the commissioner ~~of insurance will~~ shall approve or disapprove the proposed rates and specify the reasons therefor. The commissioner ~~of insurance~~ may suspend or postpone the effective date of the proposed rates pending the hearing and written decision thereon.

f. Judicial review of the decision of the commissioner ~~of insurance~~ on such rates may be sought in accordance with the provisions of chapter 17A.

g. Absent a request for a hearing as provided in paragraph *"b"*, the commissioner shall issue an order approving or disapproving the proposed rates.

h. The waiting period for a workers' compensation insurance rate filing shall commence no earlier than the date that notice

of the insurance rate filing is published.

Sec. 28. Section 515A.10, Code 2021, is amended to read as follows:

515A.10 Advisory organizations.

1. Every group, association or other organization of insurers, whether located within or outside of this state, which assists insurers which make their own filings or rating organizations in rate making, by the collection and furnishing of loss or expense statistics, or by the submission of recommendations, but which does not make filings under this chapter, shall be known as an advisory organization.

2. An advisory organization shall not provide a service relating to this chapter, and an insurer shall not utilize the services of an advisory organization for such purposes unless the advisory organization has obtained a license under subsection 3.

~~2.~~ 3. ~~Every~~ An advisory organization applying for a license shall ~~file~~ include with its application to the commissioner all of the following:

a. A copy of its constitution, its articles of agreement or association or its certificate of incorporation and of its bylaws, rules and regulations governing its activities.

b. A list of its members.

c. The name and address of a resident of this state upon whom notices or orders of the commissioner or process issued at the commissioner's direction may be served.

d. An agreement that the commissioner may examine such advisory organization in accordance with the provisions of section 515A.12.

e. A fee established by the commissioner by rule.

~~3.~~ 4. If, after ~~a~~ hearing, the commissioner finds that ~~the furnishing of such information or assistance involves~~ an advisory organization has engaged in any act or practice which is unfair, ~~or~~ unreasonable, or ~~otherwise inconsistent with the provisions~~ in violation of this chapter, the commissioner may

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issue ~~a written~~ an order ~~specifying in what respects such act or practice is unfair or unreasonable or otherwise inconsistent with the provisions of this chapter, and~~ requiring the ~~discontinuance of such act or practice~~ advisory organization to cease and desist such act or practice. The commissioner may, at any time after hearing, revoke or suspend the license of an advisory organization which does not comply with this chapter.

~~4.~~ 5. No insurer which makes its own filings nor any rating organization shall support its filings by statistics or adopt rate making recommendations, furnished to it by an advisory organization which has not complied with this section or with an order of the commissioner involving such statistics or recommendations issued under subsection ~~3~~ 4 of this section. If the commissioner finds such insurer or rating organization to be in violation of this subsection the commissioner may issue an order requiring the discontinuance of such violation.

6. A license issued under this section shall remain in effect for three years unless sooner suspended or revoked by the commissioner.

Sec. 29. Section 515D.4, subsection 2, paragraph a, Code 2021, is amended to read as follows:

a. The named insured or any operator who either resides in the same household or customarily operates an automobile insured under the policy has that person's driver's license suspended or revoked during ~~the policy term or, if the policy is a renewal, during its term or the one hundred eighty days immediately preceding its effective date.~~ any of the following:

(1) The term of the policy.

(2) The term of a renewal policy.

(3) Within one hundred eighty calendar days immediately preceding the effective date of a renewal of the policy.

Sec. 30. Section 515D.4, subsection 3, Code 2021, is amended to read as follows:

3. This section shall not apply to any policy or coverage which has been in effect less than sixty calendar days at the

time notice of cancellation is mailed or delivered by the insurer unless it is a renewal policy. This section shall not apply to the nonrenewal of a policy.

Sec. 31. Section 515D.5, Code 2021, is amended to read as follows:

515D.5 Delivery of notice.

1. *a.* Notwithstanding the provisions of section 515.129A, a notice of cancellation of a policy shall not be effective unless mailed or delivered by the insurer to the named insured at least thirty calendar days prior to the effective date of cancellation, or, where the cancellation is for nonpayment of premium notwithstanding the provisions of section 515.129A, at least ten calendar days prior to the date of cancellation. A post office department certificate of mailing to the named insured at the address shown in the policy shall be proof of receipt of such mailing. Unless the reason accompanies the notice of cancellation, the notice shall state that upon written request of the named insured, mailed or delivered to the insurer not less than fifteen calendar days prior to the date of cancellation, the insurer will state the reason for cancellation together with notification of the right to a hearing before the commissioner within fifteen calendar days as provided in this chapter.

b. When the reason does not accompany the notice of cancellation, the insurer shall, upon receipt of a timely request by the named insured, state in writing the reason for cancellation. A statement of reason shall be mailed or delivered to the named insured within five calendar days after receipt of a request.

2. A notice of exclusion of a person under a policy pursuant to section 515D.4, is not effective unless written notice is mailed or delivered to the named insured at least twenty calendar days prior to the effective date of the exclusion. The written notice shall state the reason for the exclusion, together with notification of the right to a hearing before

the commissioner pursuant to section 515D.10 within fifteen calendar days of receipt or delivery of a statement of reason as provided in this section.

Sec. 32. Section 515D.6, Code 2021, is amended to read as follows:

515D.6 Prohibited reasons for nonrenewal.

1. No insurer shall refuse to renew a policy solely because of age, residence, sex, race, color, creed, or occupation ~~of an insured~~.

2. No insurer shall require a physical examination of a policyholder as a condition for renewal solely on the basis of age or other arbitrary reason. In the event that an insurer requires a physical examination of a policyholder, the burden of proof in establishing reasonable and sufficient grounds for such requirement shall rest with the insurer and the expenses incident to such examination shall be borne by the insurer.

Sec. 33. Section 515D.7, Code 2021, is amended to read as follows:

515D.7 Notice of intent.

1. Notwithstanding the provisions of sections 515.125, 515.128, 515.129B, and 515.129C, an insurer shall not fail to renew a policy except by notice to the insured as provided in this chapter. A notice of intention not to renew shall not be effective unless mailed or delivered by the insurer to the named insured at least thirty calendar days prior to the expiration date of the policy. A post office department certificate of mailing to the named insured at the address shown in the policy shall be proof of receipt of such mailing. Unless the reason accompanies the notice of intent not to renew, the notice shall state that, upon written request of the named insured, mailed or delivered to the insurer not less than thirty calendar days prior to the expiration date of the policy, the insurer will state the reason for nonrenewal.

2. When the reason does not accompany the notice of intent not to renew, the insurer shall, upon receipt of a timely

1 request by the named insured, state in writing the reason
2 for nonrenewal, together with notification of the right to a
3 hearing before the commissioner within fifteen calendar days
4 as provided herein. A statement of reason shall be mailed or
5 delivered to the named insured within ten days after receipt
6 of a request.
7 3. This section shall not apply:
8 *a.* If the insurer has manifested its willingness to renew.
9 *b.* If the insured fails to pay any premium due or any
10 advance premium required by the insurer for renewal.
11 *c.* If the insured is transferred from an insurer to
12 an affiliate for future coverage as a result of a merger,
13 acquisition, or company restructuring and if the transfer
14 results in the same or broader coverage.
15 Sec. 34. Section 515D.10, Code 2021, is amended to read as
16 follows:
17 **515D.10 Hearing before commissioner.**
18 Any named insured who has received a statement of reason
19 for cancellation, or of reason for an insurer's intent not
20 to renew a policy, may, within fifteen calendar days of the
21 receipt or delivery of a statement of reason, request a hearing
22 before the commissioner of insurance. The purpose of this
23 hearing shall be limited to establishing the existence of the
24 proof or evidence ~~used~~ stated by the insurer ~~in~~ as its reason
25 for cancellation or intent not to renew. The burden of proof
26 of the reason for cancellation or intent not to renew shall
27 be upon the insurer. Other than the sharing of information
28 required by this chapter and the rules adopted pursuant to
29 the provisions of this chapter, the commissioner shall keep
30 confidential the information obtained from the insured or in
31 the hearing process, pursuant to section 505.8, subsection 8.
32 The commissioner of insurance shall adopt rules ~~for carrying~~
33 ~~out~~ pursuant to chapter 17A to implement the provisions of this
34 section.
35 Sec. 35. Section 515F.2, Code 2021, is amended by adding the

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following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. As used in this chapter, unless the context otherwise requires:

Sec. 36. Section 515F.2, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. *"Commissioner"* means the commissioner of insurance.

Sec. 37. Section 515F.8, subsection 3, paragraph a, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (7) A license fee as established by the commissioner by rule.

Sec. 38. Section 515F.8, subsection 3, paragraph d, Code 2021, is amended to read as follows:

d. Duration. A license issued under this section shall remain in effect for ~~one year~~ three years unless the license is suspended or revoked. The commissioner may, at any time after hearing, revoke or suspend the license of an advisory organization which does not comply with ~~the requirements and standards of~~ this chapter.

Sec. 39. Section 515F.32, Code 2021, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. As used in this subchapter, unless the context otherwise requires:

Sec. 40. Section 515F.32, subsection 3, Code 2021, is amended to read as follows:

3. *"Insurer"* includes all companies or associations licensed to transact insurance business in this state under chapters 515, 518, and 518A, reciprocal insurers issued a certificate of authority pursuant to chapter 520, and companies or associations admitted or seeking to be admitted to do business in this state under any of those chapters, notwithstanding any provision of the Code to the contrary.

Sec. 41. Section 515F.36, subsection 2, paragraph a, subparagraphs (1) and (2), Code 2021, are amended to read as follows:

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(1) American property casualty insurance association.

(2) ~~Property casualty insurers association of America~~ National association of mutual insurance companies.

Sec. 42. NEW SECTION. **515F.39 Cancellation or nonrenewal — FAIR notice.**

If basic property insurance coverage is canceled or not renewed other than for nonpayment of a premium pursuant to section 515.125, 515.126, 515.127, 515.128, 518.23, or 518A.29, the insurer shall notify the named insured that the named insured may be eligible for basic property insurance through the FAIR plan. The notice shall accompany the notice of cancellation or the intent not to renew.

Sec. 43. Section 515I.4, subsection 1, paragraph a, Code 2021, is amended to read as follows:

a. Capital and surplus or its equivalent under the laws of the insurer's domiciliary jurisdiction which equals the ~~greater of either~~ greatest of the following:

(1) The minimum capital and surplus requirements under the laws of this state.

(2) Fifteen million dollars.

(3) The risk-based capital level requirements pursuant to chapter 521E.

Sec. 44. Section 520.12, subsection 2, Code 2021, is amended to read as follows:

2. A reciprocal or interinsurance insurer shall submit annually, on or before March 1, a completed application for renewal of the insurer's certificate of authority. An insurer that fails to timely file an application for renewal shall pay an administrative fee ~~of five hundred dollars to the treasurer of state for deposit as provided in section 505.7~~ to the commissioner of insurance as established by the commissioner of insurance by rule.

Sec. 45. Section 521.18, Code 2021, is amended to read as follows:

521.18 Articles of merger or consolidation — filing fees

and approval.

A company filing a plan to merge or consolidate under the provisions of this chapter shall file its articles of merger or consolidation with the commission for its approval. The fee for filing articles of merger or consolidation with the commission ~~is fifty dollars~~ shall be established by the commissioner by rule.

Sec. 46. Section 522.9, subsection 1, Code 2021, is amended to read as follows:

1. If an insurer fails, without just cause, to file an own risk and solvency assessment summary report by the filing date stipulated to the commissioner pursuant to section 522.5, subsection 1, paragraph *"c"*, the commissioner shall, after notice and hearing, impose a penalty of five hundred dollars for each calendar day after the stipulated date that the summary report is not filed. The penalties shall be collected by the commissioner and deposited ~~in the general fund of the state~~ pursuant to section 505.7. The maximum penalty which may be imposed under this section is fifty thousand dollars.

Sec. 47. Section 522A.5, Code 2021, is amended to read as follows:

522A.5 ~~Fees~~ Counter employee — license fee.

The fee for a counter employee license shall be ~~fifty dollars per counter employee~~ established by the commissioner by rule. ~~In no case shall any combined fees exceed one thousand dollars in any calendar year for any one rental company or limited license or licensee or renewal license.~~ The fees collected under this section shall be deposited as provided in section 505.7.

Sec. 48. Section 522B.5, subsection 1, paragraph c, Code 2021, is amended to read as follows:

c. The individual has paid the license fee ~~of fifty dollars~~ established by the commissioner by rule.

Sec. 49. Section 522E.4, subsection 1, paragraph c, Code 2021, is amended to read as follows:

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c. An application fee ~~of the lesser of fifty dollars per each endorsee at a location of the vendor or five hundred dollars per location valid for a three-year period and, for each three-year period thereafter, a renewal fee in the same amount. A maximum fee of five thousand dollars shall apply for licensure of a portable electronics vendor with multiple locations~~ established by the commissioner by rule. The fees collected shall be deposited as provided in section 505.7.

DIVISION III

CEMETERY AND FUNERAL MERCHANDISE AND FUNERAL SALES

Sec. 50. Section 523A.204, subsections 1 and 2, Code 2021, are amended to read as follows:

1. A preneed seller shall file an annual report with the commissioner not later than April ~~1 of each year an annual report~~ 15 on a form prescribed by the commissioner.

2. A preneed seller filing an annual report shall pay a filing fee ~~of ten dollars~~ established by the commissioner by rule per purchase agreement sold during the year covered by the report. Duplicate filing fees are not required for the same purchase agreement. If a purchase agreement has multiple sellers, the filing fee shall be paid by the preneed seller actually providing the merchandise and services.

Sec. 51. Section 523A.204, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 4. The commissioner may impose a late fee, established by the commissioner by rule, for each day after April 15 that a preneed seller fails to file the preneed seller's annual report. The maximum late fee that may be imposed under this subsection is five hundred dollars. The fee shall be collected by the commissioner and deposited pursuant to section 505.7.

Sec. 52. Section 523A.501, subsections 7 and 8, Code 2021, are amended to read as follows:

7. A preneed seller's license ~~expires~~ shall expire annually on April ~~15~~ 30. If ~~the~~ a preneed seller has filed ~~a complete~~

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an annual report pursuant to section 523A.204, subsection 1, and paid the required fees ~~as required in section 523A.204,~~ the commissioner shall renew the preneed seller's license until April ~~15~~ 30 of the following year.

8. The commissioner may by rule create or accept a multijurisdiction preneed seller's license. If the preneed seller's license is issued by another jurisdiction, the rules shall require the filing of an application or notice form and payment of the applicable filing fee ~~of fifty dollars for an application~~ established by the commissioner by rule. The application or notice form utilized and the effective dates and terms of the license may vary from the provisions set forth in this section.

Sec. 53. Section 523A.502, subsection 5, Code 2021, is amended to read as follows:

5. A sales license shall expire annually on April ~~15~~ 30. If ~~the~~ a sales agent has filed ~~a substantially complete~~ an annual report ~~as required in~~ pursuant to section 523A.502A, subsection 1, and has fulfilled the continuing education requirements pursuant to subsection 6, the commissioner shall renew the sales agent's sales license until April ~~15~~ 30 of the following year.

Sec. 54. Section 523A.502A, subsection 1, Code 2021, is amended to read as follows:

1. ~~A~~ No later than April 15, a sales agent shall file an annual report with the commissioner ~~not later than April 1 of each year an annual report~~ on a form prescribed by the commissioner describing each purchase agreement sold by the sales agent during the year. An annual report must be filed whether or not ~~sales were made~~ a sales agent sold any purchase agreements during the year and ~~even if the~~ whether or not a sales agent is ~~no longer~~ still an agent of a preneed seller or is still licensed by the commissioner.

Sec. 55. Section 523A.502A, Code 2021, is amended by adding the following new subsection:

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NEW SUBSECTION. 3. The commissioner may impose a late fee, established by the commissioner by rule, for each day after April 15 that a sales agent fails to file the sales agent's annual report. The maximum late fee that may be imposed pursuant to this section is five hundred dollars. The fee shall be collected by the commissioner and deposited pursuant to section 505.7.

Sec. 56. Section 523A.601, subsection 4, Code 2021, is amended by striking the subsection and inserting in lieu thereof the following:

4. All purchase agreements, including a purchase agreement delivered or executed by electronic means, must have a sales agent identified. A purchase agreement, including a purchase agreement delivered or executed by electronic means, shall be reviewed by the sales agent identified and named in the purchase agreement pursuant to subsection 1, paragraph *"a"*, and signed by the purchaser and seller. If the purchase agreement is for mortuary science services as *"mortuary science"* is defined in section 156.1, the purchase agreement must also be signed by a person licensed to deliver funeral services.

Sec. 57. Section 523A.807, subsection 3, unnumbered paragraph 1, Code 2021, is amended to read as follows:

If the commissioner finds that a person has violated section 523A.201, 523A.202, 523A.203, 523A.204, 523A.207, 523A.401, 523A.402, 523A.403, 523A.404, 523A.405, 523A.501, ~~or~~ 523A.502, or 523A.502A, or any rule adopted pursuant thereto, the commissioner may order any or all of the following:

Sec. 58. Section 523A.812, Code 2021, is amended to read as follows:

523A.812 Insurance division regulatory fund.

The insurance division may authorize the creation of a special revenue fund in the state treasury, to be known as the insurance division regulatory fund. The commissioner shall allocate annually from the filing fees paid pursuant to section 523A.204, ~~two dollars~~ an amount established by the commissioner

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by rule for each purchase agreement reported on a preneed seller's annual report filed pursuant to section 523A.204 for deposit to the regulatory fund. The remainder of the fees collected pursuant to section 523A.204 shall be deposited as provided in section 505.7. The commissioner shall also allocate annually the examination fees paid pursuant to section 523A.814 and any examination expense reimbursement for deposit to the regulatory fund. The moneys in the regulatory fund shall be retained in the fund. The moneys are appropriated and, subject to authorization by the commissioner, may be used to pay examiners, examination expenses, investigative expenses, the expenses of mediation ordered by the commissioner, consumer education expenses, the expenses of a toll-free telephone line to receive consumer complaints, and the expenses of receiverships established under section 523A.811. If the commissioner determines that funding is not otherwise available to reimburse the expenses of a person who receives title to a cemetery subject to chapter 523I, pursuant to such a receivership, the commissioner shall use moneys in the regulatory fund as necessary to preserve, protect, restore, and maintain the physical integrity of that cemetery and to satisfy claims or demands for cemetery merchandise, funeral merchandise, and funeral services based on purchase agreements which the commissioner determines are just and outstanding. ~~An annual allocation to the regulatory fund shall not be imposed if the current balance of the fund exceeds five hundred thousand dollars.~~

Sec. 59. Section 523A.814, Code 2021, is amended to read as follows:

523A.814 Examination fee.

In addition to the filing fee paid pursuant to section 523A.204, subsection 2, a seller filing an annual report shall pay an examination fee in the amount ~~of five dollars~~ established by the commissioner by rule for each purchase agreement subject to a filing fee ~~that is sold between July 1,~~

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~~2005, and December 31, 2007, and in the amount of ten dollars for each purchase agreement subject to a filing fee that is sold after December 31, 2007~~.

DIVISION IV

RESIDENTIAL AND MOTOR VEHICLE SERVICE CONTRACTS

Sec. 60. Section 523C.3, subsection 2, Code 2021, is amended to read as follows:

2. The application shall be accompanied by all of the following:

a. A license fee in the amount ~~of five hundred dollars~~ established by the commissioner by rule.

b. If applicable, a fee in the amount ~~of fifty dollars~~ established by the commissioner by rule for each motor vehicle service contract form submitted in an application as provided in subsection 1, paragraph *"f"*.

Sec. 61. Section 523C.4, subsection 3, paragraphs a, b, and c, Code 2021, are amended to read as follows:

a. A license renewal fee in the amount ~~of five hundred dollars~~ established by the commissioner by rule.

b. If applicable, a ~~fee in the amount of three percent~~ percentage established by the commissioner by rule of the aggregate amount of payments the licensee received for the sale or issuance of residential service contracts in this state during the preceding fiscal year~~, provided that such fee shall be no less than one hundred dollars and no greater than fifty thousand dollars~~.

c. If applicable, a fee in the amount ~~of fifty dollars~~ established by the commissioner by rule for each motor vehicle service contract form submitted ~~in a~~ with the renewal application pursuant to subsection 2, and as provided in section 523C.3, subsection 1, paragraph *"f"*.

Sec. 62. Section 523C.24, subsection 2, Code 2021, is amended to read as follows:

2. The commissioner shall deposit in the service company oversight fund an amount equal to one-third of all licensing,

examination, renewal, and inspection fees collected under this chapter, provided that the maximum amount of fees deposited in the fund each fiscal year shall not exceed ~~five hundred thousand dollars~~ an amount established by the commissioner by rule. Any remaining fees collected under this chapter and not deposited in the service company oversight fund shall be deposited as provided in section 505.7.

DIVISION V

RETIREMENT FACILITIES

Sec. 63. Section 523D.2A, unnumbered paragraph 1, Code 2021, is amended to read as follows:

On or before March 1 of each year, a provider shall file a certification with the commissioner ~~in a manner and according to~~ in compliance with requirements established by the commissioner by rule. The certification shall be accompanied by a ~~one hundred dollar administrative fee which~~ fee in an amount established by the commissioner by rule and shall be deposited as provided in section 505.7. The certification shall attest that according to the best knowledge and belief of the attesting party, the facility administered by the provider is in compliance with ~~the provisions of~~ this chapter, including rules adopted by the commissioner ~~or~~ and orders issued by the commissioner as authorized under this chapter. The attesting person may be any of the following:

DIVISION VI

IOWA CEMETERY ACT

Sec. 64. Section 523I.102, subsection 6, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *d.* A cemetery under the jurisdiction and control of a cemetery commission pursuant to section 331.325, subsection 3, paragraph *"c"*.

Sec. 65. Section 523I.213, Code 2021, is amended to read as follows:

523I.213 Insurance division's enforcement fund.

A special revenue fund in the state treasury, to be known as

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the insurance division's enforcement fund, is created under the authority of the commissioner. The commissioner shall ~~allocate annually from the examination fees paid pursuant to section 523I.808, an amount not exceeding fifty thousand dollars, for~~ deposit ~~to~~ all examination fees collected pursuant to section 523I.808 in the insurance division's enforcement fund. The moneys in the enforcement fund shall be retained in the fund. The moneys are appropriated and, subject to authorization by the commissioner, shall be used to pay examiners, examination expenses, investigative expenses, the expenses of consumer education, compliance, and education programs for filers and other regulated persons, and educational or compliance program materials, the expenses of a toll-free telephone line for consumer complaints, and the expenses of receiverships of perpetual care cemeteries established under section 523I.212.

Sec. 66. Section 523I.301, subsections 1 and 2, Code 2021, are amended to read as follows:

1. A cemetery shall disclose, prior to the sale of interment rights, whether opening and closing ~~of the interment space is~~ services are included in the purchase of the interment rights. If opening and closing services are not included in the sale of interment rights and the cemetery offers opening and closing services, the cemetery must disclose that the price for ~~this service~~ opening and closing services is subject to change and must disclose the current prices for opening and closing services provided by the cemetery.

2. The cemetery shall fully disclose all fees required for interment, entombment, ~~or~~ inurnment, or disinterment of human remains.

Sec. 67. Section 523I.309, subsection 6, Code 2021, is amended to read as follows:

6. A cemetery ~~may~~ shall disinter and relocate remains interred in the cemetery for the purpose of correcting an error made by the cemetery after obtaining a disinterment permit as required by section 144.34, unless the interested parties

have a written agreement directing otherwise. The cemetery shall bear the costs of the disinterment and relocation. The cemetery shall provide written notice describing the error to the commissioner and to the person who has the right to control the interment, relocation, or disinterment of the remains erroneously interred, by restricted certified mail at the person's last known address and sixty days prior to the disinterment. The notice shall include the location where the disinterment will occur and the location of the new interment space. A cemetery is not civilly or criminally liable for an erroneously made interment that is corrected in compliance with this subsection unless the error was the result of gross negligence or intentional misconduct.

Sec. 68. Section 523I.808, Code 2021, is amended to read as follows:

523I.808 ~~Examination~~ Annual report — examination fee.

An examination fee, established by the commissioner by rule, for each certificate of internment rights issued during the time period covered by the report shall be submitted with ~~the~~ a perpetual care cemetery's annual report ~~in an amount equal to five dollars for each certificate of interment rights issued during the time period covered by the report~~ filed pursuant to section 523I.813. The cemetery may charge the examination fee directly to the purchaser of the interment rights.

Sec. 69. Section 523I.813, subsection 3, Code 2021, is amended by striking the subsection and inserting in lieu thereof the following:

3. The commissioner may assess a late fee, established by the commissioner by rule, for each day after the date on which a perpetual care cemetery's annual report is due that the perpetual care cemetery fails to file the report. The late fee shall be collected by the commissioner and deposited pursuant to section 505.7.

DIVISION VII

STATE INNOVATION WAIVER

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1 Sec. 70. NEW SECTION. **505.18A State innovation waivers.**
2 1. The commissioner of insurance may develop by rule
3 a state innovation waiver pursuant to section 1332 of the
4 federal Patient Protection and Affordable Care Act, Pub. L. No.
5 111-148.
6 2. The commissioner of insurance may submit an application
7 on behalf of the state to the United States secretary of health
8 and human services and the United States secretary of the
9 treasury for the state innovation waiver developed pursuant to
10 subsection 1.
11 3. If a state innovation waiver submitted pursuant to
12 subsection 2 is approved by the United States secretary of
13 health and human services and the United States secretary of
14 the treasury, the commissioner of insurance may implement the
15 state innovation waiver in a manner consistent with applicable
16 state and federal law.
17 4. The commissioner of insurance may adopt emergency
18 rules under section 17A.4, subsection 3, and section 17A.5,
19 subsection 2, paragraph *"b"*, to implement the provisions of
20 this section and the rules shall be effective immediately upon
21 filing unless a later date is specified in the rules. Any
22 rules adopted in accordance with this section shall also be
23 published as a notice of intended action as provided in section
24 17A.4.
25 EXPLANATION
26 **The inclusion of this explanation does not constitute agreement with**
27 **the explanation's substance by the members of the general assembly.**
28 This bill relates to various matters under the purview of the
29 insurance division of the department of commerce. The bill is
30 organized into seven divisions.
31 DIVISION I —— UNIFORM SECURITIES. Code section 502.304A
32 (expedited registration by filing for small issuers) is amended
33 to provide that an issuer, and a person registering as an
34 agent of the issuer, must pay the administrator a registration
35 fee established by the administrator, rather than the set

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fee amounts of $100 (issuer) and $10 (person registering as an agent) required by current law. Code section 502.321G (fees) is amended to change the nonrefundable fee for a registration statement filed by an offeror from $250 to an amount established by the administrator.

Code section 502.410 (filing fees) is amended to change the broker-dealer filing fee for an application or renewal registration from $200 to an amount established by the administrator. In addition, the filing fee for registration or renewal as an agent is amended from $40 to an amount established by the administrator. Of the agent registration fees collected, 25 percent are appropriated to the securities investor education and financial literacy training fund. Current law provides that $10 of every $40 fee collected goes to the fund. The filing fee for an investment adviser application or renewal registration is amended from $100 to an amount established by the administrator. The bill also amends the filing fees for an investment adviser representative application, renewal registration, and change of registration from $30 to an amount established by the administrator. A federal covered investment adviser must pay an initial fee and an annual notice fee in an amount established by the administrator, rather than the $100 fee required under current law.

DIVISION II —— INSURANCE. The bill amends Code section 505.30 (service of process on the commissioner) to specify that the commissioner of insurance (commissioner) may set a reasonable fee for service made on the commissioner.

The bill amends Code section 507A.4 (transactions where law not applicable) and provides that Code chapter 507A does not apply to a multiple employer welfare arrangement (MEWA) or a MEWA formed as an association health plan (AHP) that meets the requirements of Code chapter 513D. The bill strikes current Code section 513D.1 (association health plans) and replaces it with new provisions which detail the requirements for MEWAs and

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1 AHPs that offer a plan to, or that maintain a group health plan
2 for, any resident of Iowa. "AHP" and "MEWA" are defined in the
3 bill.
4 The bill details the requirements of the annual filings with
5 the commissioner required of registered AHPs and MEWAs. The
6 bill provides that a MEWA that is recognized as tax-exempt
7 under Internal Revenue Code section 501(c)(9), and that is
8 registered with the commissioner prior to January 1, 2018,
9 shall not be considered an AHP unless the MEWA affirmatively
10 elects to be treated as an AHP. The bill makes conforming
11 changes to Code section 513D.2 (rules and enforcement).
12 Code section 507B.7 (cease and desist orders) is amended
13 to provide that a person who violates any order of the
14 commissioner, rather than just a cease and desist order as is
15 in current law, may, after notice and hearing be subject to a
16 monetary penalty and suspension or revocation of the person's
17 license.
18 The bill broadens the definition of "insurer" in Code
19 section 507E.2A (definitions) to include any corporation,
20 association, partnership, or individual engaged in the business
21 of insurance, including but not limited to a corporation,
22 association, partnership, or individual that issues a policy
23 of workers' compensation, a self-insured business for purposes
24 of workers' compensation liability, or a group or self-insured
25 plan. The bill specifically excludes a person required to be
26 licensed to sell, solicit, or negotiate insurance pursuant to
27 Code chapter 522B from the definition.
28 Code section 507E.8 (law enforcement authority) is amended
29 by the bill to specify that an individual who is employed by
30 the insurance division and is designated as a peace officer
31 shall be considered a law enforcement officer and shall
32 exercise the powers of a law enforcement officer as detailed
33 in the bill.
34 The bill amends Code section 508E.3 (license requirements)to
35 change the application and renewal fees for a viatical

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1 settlement provider and a viatical settlement broker from $100
2 to an amount established by the administrator.
3 Code section 509A.15 (certification of self-insurance plans
4 — exemption) is amended to change the filing fee for the end
5 of fiscal year filing of a governing body of a self-insurance
6 plan of a political subdivision or a school corporation from
7 $100 to an amount established by the commissioner. The current
8 $15 per day penalty for late filings is changed to a late fee
9 established by the commissioner.
10 The bill makes conforming changes to Code section 510.21
11 (certificate of registration) and also requires that an
12 application for registration as a third-party administrator be
13 accompanied by a filing fee as established by the commissioner.
14 Current law does not require submission of a filing fee.
15 The bill strikes and replaces Code section 510.23 (unfair
16 competition or unfair and deceptive acts or practices
17 prohibited) and makes third-party administrators that violate
18 Code chapter 507B or 510 subject to the sanctions and penalties
19 set out in Code section 507B.7. Third-party administrators are
20 subject to Code chapter 507B under current law.
21 Code section 511.24 (fees from domestic and foreign
22 companies) is amended to change specific dollar amounts for
23 certain filing fees for foreign or domestic life insurance
24 companies to fee amounts determined by the commissioner.
25 The bill makes conforming changes to Code section 512B.24
26 (reports) and requires that the annual filing by fraternal
27 benefit societies be accompanied by a fee established by the
28 commissioner, rather than $50 as required by current law.
29 The bill makes conforming changes to Code section 512B.25
30 (annual license — renewal) and requires that for each license
31 or renewal application a fraternal benefit society submit a fee
32 established by the commissioner, rather than $50 as required by
33 current law. The bill also changes the current administrative
34 penalty of $500 for a late renewal filing to a late fee as
35 established by the commissioner.

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1 The bill makes conforming changes to Code chapter 514G
2 (long-term care insurance) and amends the Code chapter
3 to change the terminology throughout the Code chapter
4 from "independent review entity" to "independent review
5 organization".
6 Code section 515.147 (fees) is amended to change filing
7 fees for certain filings from specific dollar amounts to fees
8 determined by the commissioner. The bill makes conforming
9 changes to and amends Code section 515A.10 to provide more
10 specific requirements related to licensing requirements, fees,
11 and penalties for advisory organizations.
12 The bill amends Code section 515F.8 (licensing advisory
13 organizations) to require licensing advisory organizations
14 to submit a fee, determined by the commissioner, with their
15 application for a license, and makes the license effective for
16 three years, rather than the one year under current law.
17 Code section 515F.32 is amended to add reciprocal insurers
18 to the definition of "insurer". Code section 515F.36 is
19 amended to change the makeup of the membership of the governing
20 committee that administers the FAIR plan. The bill creates a
21 new requirement that if basic property insurance coverage is
22 canceled or not renewed other than for nonpayment of a premium
23 pursuant to Code section 515.125, 515.126, 515.127, 515.128,
24 518.23, or 518A.29, the insurer must notify the named insured
25 that they may be eligible for basic property insurance through
26 the FAIR plan, and the notice must accompany the notice of
27 cancellation or the intent not to renew.
28 The bill amends Code section 515I.4 (requirements for
29 eligible surplus lines insurers) to allow a nonadmitted
30 insurer seeking to qualify as an eligible surplus line insurer
31 the option of demonstrating that the nonadmitted insurer
32 has capital and surplus under the laws of the nonadmitted
33 insurer's domiciliary that equal the risk-based capital level
34 requirements required by Iowa law. Current law requires the
35 nonadmitted insurer to demonstrate that the nonadmitted insurer

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has capital and surplus under the laws of the nonadmitted insurer's domiciliary that equal the greater of the minimum capital and surplus required under the laws of this state, or $15 million.

Code section 520.12 (certificate of authority — renewal — penalties) is amended to change the annual renewal fee for a reciprocal or interinsurance insurer from $500 to be submitted to the treasurer of state, to an administrative fee as established by the commissioner to be paid to the commissioner.

The bill amends Code section 521.18 (articles of merger or consolidation) to change the fee for specific companies to file a plan to merge or consolidate from $50 to an amount established by the commissioner.

Code section 522.9 (penalties) is amended to allow the commissioner to deposit penalties that have been collected due to insurers' failure to file a timely own risk and solvency assessment summary report pursuant to Code section 505.7. Current law requires the commissioner to deposit the penalties into the general fund of the state.

Code section 522A.5 (counter employee — license fee) is amended to change the license fee for a counter employee from $50 to an amount established by the commissioner, and removes the cap of $1,000 per calendar year for all combined fees paid by any one rental company.

The bill amends Code section 522B.5 (application for license) to change the application fee for a resident insurance producer license from $50 to an amount established by the commissioner.

Code section 522E.4 (application and fees) is amended to change the application fee for a portable electronics insurance license from a variable dollar amount to an amount established by the commissioner. The bill also removes the $5,000 cap on the total application fees that can be charged for the licensure of a portable electronics vendor with multiple locations.

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The bill makes conforming changes to Code sections 508E.2 (definitions), 509.1(9) (form of policy), 509.19(2) (claims and premium disclosures), 515A.2 (definitions), 515A.6 (rating organizations), 515A.10 (advisory organizations), 515D.4 (notice of cancellation — reasons), 515D.5 (delivery of notice), 515D.6 (prohibited reasons), 515D.7 (notice of intent), 515D.10 (hearing before commissioner), and 515F.2 (definitions).

DIVISION III — CEMETERY AND FUNERAL MERCHANDISE AND FUNERAL SALES. The bill amends Code section 523A.204 (preneed seller annual reporting requirements) to require preneed sellers to file an annual report by April 15 rather than the current date of April 1. The bill changes the filing fee for the report from $10 to an amount established by the commissioner. The bill allows the commissioner to impose a late fee for each day the report is late, up to a maximum of $500. The fee is to be collected by the commissioner and deposited pursuant to Code section 505.7. Code section 523A.501 (preneed sellers — licenses) is amended to specify that preneed sellers' licenses expire annually on April 30, rather than the current expiration date of April 15. The bill changes the filing fee for a multijurisdictional preneed seller's license that is issued by another jurisdiction from $50 to an amount established by the commissioner.

The bill amends Code section 523A.502 (sales agents — licenses) to specify that sales agents' licenses expire annually on April 30, rather than the current expiration date of April 15, and an agent must have fulfilled continuing education requirements to qualify for renewal. Code section 523A.502A (sales agent annual reporting requirements) is amended to require sales agents to file an annual report by April 15, rather than the current date of April 1. The bill allows the commissioner to impose a late fee for each day that the annual report is late, up to a maximum of $500. The fee is to be collected by the commissioner and deposited pursuant to

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1 Code section 505.7.
2 The bill strikes and replaces Code section 523A.601
3 (disclosures) and requires that all purchase agreements,
4 including those delivered or executed by electronic means,
5 identify a sales agent. Purchase agreements must also be
6 reviewed by the sales agent and signed by the purchaser and
7 seller. If a purchase agreement is for mortuary science
8 services, the purchase agreement must also be signed by a
9 person licensed to deliver funeral services.
10 The bill amends Code section 523A.812 (insurance division
11 regulatory fund) to allocate an amount established by the
12 commissioner to the regulatory fund from the filing fees for
13 each purchase agreement reported on a preneed seller's annual
14 report. Current law requires the commissioner to allocate
15 $2 from each filing fee to the regulatory fund. The bill
16 also removes the prohibition on an annual allocation to the
17 regulatory fund if the current balance exceeds $500,000.
18 Code section 523A.814 (examination fee) is amended to change
19 the examination fee for a seller's annual report from $5,
20 or other set dollar amount, to an amount established by the
21 commissioner.
22 The bill makes conforming changes to Code section 523A.807
23 (prosecutions for violations of law).
24 DIVISION IV — RESIDENTIAL AND MOTOR VEHICLE SERVICE
25 CONTRACTS. Code section 523C.3 (application for license)
26 is amended to change the $500 fee for an application for
27 a service company license to a fee established by the
28 commissioner. The current fee of $50 for each motor vehicle
29 service contract form submitted with an application is also
30 changed to a fee as established by the commissioner. Code
31 section 523C.4 (license expiration and renewal) is amended to
32 change the license renewal fee of $500 to a fee established
33 by the commissioner. The bill amends the fee, based on the
34 aggregate amount of payments a licensee received for the sale
35 or issuance of residential service contracts in this state

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during the preceding fiscal year, from 3 percent per contract to a percentage established by the commissioner by rule, and also removes the minimum and maximum dollar amount of fees that a licensee is required to submit. In addition, the bill amends the fee for each motor vehicle service contract form submitted with an application from $50 to a fee established by the commissioner.

Code section 523C.24 (service company oversight fund) is amended to allow the commissioner to establish the amount deposited in the service company oversight fund from all licensing, examination, renewal, and inspection fees collected under Code chapter 523C. The bill also removes the current $500,000 maximum cap on fees that may be deposited in the fund each fiscal year.

DIVISION V — RETIREMENT FACILITIES. Code section 523D.2A is amended to change the administrative fee submitted by a provider with its certification filing from $100 to an amount established by the commissioner.

DIVISION VI — IOWA CEMETERY ACT. Code section 523I.102 (definitions) is amended to exclude specific cemeteries, under the jurisdiction and control of a cemetery commission that has jurisdiction and control over pioneer cemeteries, from the definition of "cemetery" for purposes of Code chapter 523I. Code section 523I.213 (insurance division's enforcement fund) is amended to remove the cap on the allocation to the insurance division's enforcement fund of examination fees paid by perpetual cemeteries with their annual report. The bill requires the commissioner to deposit all of the examination fees in the enforcement fund.

Code section 523I.301 (disclosure requirements — prices and fees) is amended to require cemeteries to disclose, prior to the sale of interment rights, whether opening and closing services are included in the purchase price. The bill also requires cemeteries to disclose all fees associated with disinterment services.

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1 Code section 523I.309 (interment, relocation, or
2 disinterment of remains) is amended to require cemeteries
3 to disinter and relocate remains interred in a cemetery for
4 the purpose of correcting an error made by the cemetery,
5 unless the interested parties have a written agreement
6 directing otherwise. The cemetery must bear all costs of the
7 disinterment and relocation. Current law permits, but does not
8 require, a cemetery to disinter and relocate such remains, and
9 the cemetery is not required to bear the cost of disinterment
10 and relocation.
11 The bill amends Code section 523I.808 (examination fee) to
12 require an examination fee, established by the commissioner,
13 for each certificate of interment rights issued during the
14 period covered by a perpetual care cemetery's annual report.
15 Under current law, the fee is $5 per certificate.
16 The bill amends Code section 523I.813 (annual report by
17 perpetual care cemeteries) to allow, rather than to require,
18 the commissioner to impose a late penalty on a perpetual care
19 cemetery that fails to timely file its annual report.
20 DIVISION VII — STATE INNOVATION WAIVER. The bill
21 authorizes the commissioner to develop by rule a state
22 innovation waiver (waiver) pursuant to section 1332 of the
23 federal Patient Protection and Affordable Care Act, Pub. L. No.
24 111-148, and to submit an application on behalf of the state
25 to the United States secretary of health and human services
26 and the United States secretary of the treasury (secretaries)
27 for the waiver. If a waiver is approved by the secretaries,
28 the commissioner is authorized to implement the waiver in a
29 manner consistent with applicable state and federal law. The
30 bill authorizes the commissioner to adopt emergency rules
31 to implement the waiver and the rules are to be effective
32 immediately upon filing unless a later date is specified in the
33 rules. Any rules that are adopted must also be published as a
34 notice of intended action.

House File 503 - Introduced

HOUSE FILE 503
BY GOBBLE

A BILL FOR

1 An Act establishing a school climate and bullying prevention
2 work group.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2517YH (2) 89
je/jh

H.F. 503

1 Section 1. SCHOOL CLIMATE AND BULLYING PREVENTION WORK
2 GROUP.
3 1. The department of education shall convene a
4 public-private work group of representatives of state and local
5 agencies, citizens, community groups, and organizations who
6 have experience and expertise in the areas of antibullying
7 education, research, and training. The work group, after
8 reviewing existing research, data, and strategies, shall
9 provide recommendations to the department regarding best
10 practices, training, resources, additional research needs,
11 data collection, changes to state law and administrative
12 rules, and any other matters to enhance statewide school
13 climate improvement and bullying prevention, awareness, and
14 intervention.
15 2. The membership of the work group shall include but not
16 be limited to the following, to be appointed by the director
17 of the department of education:
18 a. At least three Iowans who are experts in research-based
19 antibullying curricula or programs.
20 b. A public or nonpublic high school student.
21 c. A parent of a student enrolled in a public elementary or
22 secondary school on a full-time basis.
23 d. A parent of a student enrolled in a nonpublic elementary
24 or secondary school on a full-time basis.
25 e. A member from nominees submitted by the school
26 administrators of Iowa.
27 f. A member from nominees submitted by the Iowa association
28 of school boards.
29 g. A member from nominees submitted by the Iowa state
30 education association.
31 h. Representatives from any organizations representing
32 other relevant public or nonpublic school professionals.
33 i. A representative from a statewide organization that
34 provides research-based training on bullying for school
35 professionals.

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j. A representative from at least one statewide organization with at least five years' experience in advocating on bullying prevention based on research-based best practices.

k. A representative for children placed in foster care.

l. A representative of school counselors.

m. A member from nominees submitted by the Iowa parent teacher association.

n. A representative of Iowa safe schools.

3. When making appointments to the work group, the director shall ensure that public, nonpublic, urban, and rural schools are adequately represented by the membership of the work group.

4. The work group shall also include two ex officio members of each house of the general assembly. One member each shall be selected by the majority leader of the senate and by the minority leader of the senate, and one member each shall be selected by the speaker of the house of representatives and by the minority leader of the house of representatives. Members of the general assembly shall serve for terms as provided in section 69.16B and shall be entitled to receive per diem and necessary travel and actual expenses pursuant to section 2.10, subsection 5, while carrying out their official duties as members of the work group.

5. The department shall convene the work group by October 1, 2021. The work group shall submit its findings and recommendations in a final report to the department and the general assembly by December 17, 2022.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill requires the department of education to convene a public-private work group of representatives of state and local agencies, citizens, community groups, and organizations who have experience and expertise in the areas of antibullying education, research, and training. The work group, after reviewing existing research, data, and strategies, shall

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1 provide recommendations to the department regarding matters
2 to enhance statewide school climate improvement and bullying
3 prevention, awareness, and intervention. The bill provides for
4 membership of the work group to be appointed by the director of
5 the department. When making appointments to the work group,
6 the director must ensure that public, nonpublic, urban, and
7 rural schools are adequately represented by the membership
8 of the work group. The work group shall also include ex
9 officio legislative members. The department must convene the
10 work group by October 1, 2021. The work group must submit
11 its findings and recommendations in a final report to the
12 department and the general assembly by December 17, 2022.

House File 504 - Introduced

HOUSE FILE 504
BY MASCHER, STAED, HANSEN,
WINCKLER, STECKMAN, and
BOHANNAN

A BILL FOR

1 An Act relating to the use of moneys in the grants to counties
2 program for lead and copper testing in water supply systems.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2210YH (3) 89
js/ns

H.F. 504

Section 1. Section 455E.11, subsection 2, paragraph b, subparagraph (2), subparagraph division (b), unnumbered paragraph 1, Code 2021, is amended to read as follows:

Two percent is appropriated annually to the department and, except for administrative expenses, is transferred to the Iowa department of public health for the purpose of administering grants to counties and conducting oversight of county-based programs for the testing of private rural water supply wells, private rural water supply well sealing, ~~and~~ the proper closure of private rural abandoned wells and cisterns, and testing water supply systems, as defined in section 455B.211, for the existence of lead and copper. Not more than thirty-five percent of the moneys is appropriated annually for grants to counties for the purpose of conducting programs of private rural water supply testing, private rural water supply well sealing, the proper closure of private rural abandoned wells and cisterns, water supply system testing for the existence of lead and copper, or any combination thereof. An amount agreed to by the department of natural resources and the Iowa department of public health shall be retained by the department of natural resources for administrative expenses.

Sec. 2. Section 455E.11, subsection 2, paragraph b, subparagraph (2), subparagraph division (b), subparagraph subdivision (i), Code 2021, is amended to read as follows:

(i) A county applying for grants under this subparagraph division shall submit only one application. To be eligible for a grant, a county must have adopted standards for private water supply and private disposal facilities at least as stringent as the standards adopted by the commission. During each fiscal year, the amount granted each eligible applicant shall be the total funds available divided by the number of eligible counties applying. Upon receipt of the grant, the county may apply the funds to any one or more of the county-based programs for the testing of private rural water supply wells, private rural water supply well sealing, ~~and~~ the proper closure of

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private rural abandoned wells and cisterns, and testing water supply systems for the existence of lead and copper.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

Under current law, moneys in the groundwater protection fund are used for purposes related to groundwater monitoring and groundwater quality standards. The agricultural management account consists of moneys deposited in the account from the collection of fertilizer inspection fees, pesticide dealer license fees, pesticide registration fees, and other moneys designated for the purpose of agricultural management. After an appropriation of $9,000 to the Iowa department of public health, 2 percent of the remaining moneys is appropriated to the department of natural resources (DNR) and, excluding administrative expenses for the DNR, transferred to the Iowa department of public health (DPH) for the purpose of administering grants to counties and conducting oversight of county-based programs related to private well testing, sealing, and closure.

This bill allows DPH to use moneys appropriated to the grants to counties program for testing water supply systems for the existence of lead and copper. For purposes of the bill, "water supply system" means the system of pipes, structures, and facilities through which a public water supply is obtained, treated, and sold or distributed for human consumption or household use.

House File 505 - Introduced

HOUSE FILE 505
BY EHLERT, McCONKEY, KRESSIG,
BOHANNAN, and BROWN-POWERS

(COMPANION TO SF 177 BY RAGAN)

A BILL FOR

1 An Act relating to the state child care assistance eligibility
2 requirements and provider reimbursement rates.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1096YH (2) 89
dg/rh

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Section 1. DIRECTIVE TO DEPARTMENT OF HUMAN SERVICES — CHILD CARE ASSISTANCE — FAMILY INCOME ELIGIBILITY REQUIREMENTS.

1. The department of human services shall amend its administrative rules pursuant to chapter 17A to provide income eligibility for state child care assistance, according to family size for children needing basic care, to families whose nonexempt gross monthly income does not exceed the following amounts according to the following schedule:

a. One hundred fifty percent of the federal poverty level, effective July 1, 2021.

b. One hundred sixty percent of the federal poverty level, effective July 1, 2022.

c. One hundred seventy percent of the federal poverty level, effective July 1, 2023.

d. One hundred eighty percent of the federal poverty level, effective July 1, 2024.

e. One hundred ninety percent of the federal poverty level, effective July 1, 2025.

f. Two hundred percent of the federal poverty level, effective July 1, 2026.

2. The department of human services shall amend its administrative rules pursuant to chapter 17A to provide that child care assistance under the child care assistance plus exit eligibility program shall continue until a family's nonexempt gross monthly income exceeds two hundred fifty percent of the federal poverty level.

3. For the fiscal year beginning July 1, 2021, for child care providers reimbursed under the state child care assistance program, the department of human services shall set provider reimbursement rates based on the most recent market rate survey completed in 2020.

4. EMERGENCY RULES. The department of human services may adopt emergency rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", to implement

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the provisions of this Act and the rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the state child care assistance income eligibility requirements for families and reimbursement rates for child care providers.

The state child care assistance program is administered by the department of human services (DHS). The bill directs DHS to amend its administrative rules to provide income eligibility for state child care assistance, according to family size for children needing basic care, to families whose nonexempt gross monthly income does not exceed 150 percent of the federal poverty level, effective July 1, 2021; 160 percent of the federal poverty level, effective July 1, 2022; 170 percent of the federal poverty level, effective July 1, 2023; 180 percent of the federal poverty level, effective July 1, 2024; 190 percent of the federal poverty level, effective July 1, 2025; and 200 percent of the federal poverty level, effective July 1, 2026. The bill also directs DHS to amend its administrative rules to provide that eligibility for the child care assistance plus exit program shall continue until a family's nonexempt gross monthly income exceeds 250 percent of the federal poverty level.

The bill directs DHS, for the fiscal year beginning July 1, 2021, to set reimbursement rates for child care providers under the state child care assistance program to rates based on the most recent market rate survey completed in 2020.

House File 506 - Introduced

HOUSE FILE 506
BY MASCHER

A BILL FOR

1 An Act establishing a home modification grant program within
2 the department on aging, and providing an appropriation.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2409YH (3) 89
pf/rh

H.F. 506

Section 1. Section 8.57, subsection 1, paragraph b, Code 2021, is amended to read as follows:

b. The surplus existing in the general fund of the state at the conclusion of the fiscal year is appropriated for distribution in the succeeding fiscal year as provided in subsections 1A, 2, and 3. Moneys credited to the cash reserve fund from the appropriation made in this paragraph shall not exceed the amount necessary for the cash reserve fund to reach the cash reserve goal percentage for the succeeding fiscal year. As used in this paragraph, *"surplus"* means the excess of revenues and other financing sources over expenditures and other financing uses for the general fund of the state in a fiscal year.

Sec. 2. Section 8.57, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. Notwithstanding any provision of law to the contrary, there is appropriated from the surplus as defined in subsection 1, paragraph *"b"*, at the conclusion of each fiscal year to the department on aging, an amount of up to one million dollars, prior to the crediting or appropriating of the surplus to any other fund or for any other purpose, to provide state matching funds for federal funds received in the prior fiscal year for the home modification grant program created in section 231.67. The department on aging shall report the receipt of any federal funding to the department of management upon receipt of such funds, and the department of management shall determine the amount of funds to be appropriated based on the reported amount of federal funds received.

Sec. 3. Section 8.57, subsection 2, Code 2021, is amended to read as follows:

2. Moneys appropriated under subsection 1 shall be ~~first~~ credited to the cash reserve fund following the appropriation of any moneys to the home modification grant program created in section 231.67. To the extent that moneys appropriated under subsection 1 would make the moneys in the cash reserve fund

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exceed the cash reserve goal percentage of the adjusted revenue estimate for the fiscal year, the moneys are appropriated to the department of management to be spent for the purpose of eliminating Iowa's GAAP deficit, including the payment of items budgeted in a subsequent fiscal year which under generally accepted accounting principles should be budgeted in the current fiscal year. These moneys shall be deposited into a GAAP deficit reduction account established within the department of management. The department of management shall annually file with both houses of the general assembly at the time of the submission of the governor's budget, a schedule of the items for which moneys appropriated under this subsection for the purpose of eliminating Iowa's GAAP deficit, including the payment of items budgeted in a subsequent fiscal year which under generally accepted accounting principles should be budgeted in the current fiscal year, shall be spent. The schedule shall indicate the fiscal year in which the spending for an item is to take place and shall incorporate the items detailed in 1994 Iowa Acts, ch. 1181, §17. The schedule shall list each item of expenditure and the estimated dollar amount of moneys to be spent on that item for the fiscal year. The department of management may submit during a regular legislative session an amended schedule for legislative consideration. If moneys appropriated under this subsection are not enough to pay for all listed expenditures, the department of management shall distribute the payments among the listed expenditure items. Moneys appropriated to the department of management under this subsection shall not be spent on items other than those included in the filed schedule. On September 1 following the close of a fiscal year, moneys in the GAAP deficit reduction account which remain unexpended for items on the filed schedule for the previous fiscal year shall be credited to the Iowa economic emergency fund.

Sec. 4. NEW SECTION. **231.67 Home modification grant program — established — requirements.**

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1 1. As used in this section, unless the context otherwise
2 requires:
3 *a. "Accommodate"* means to make a residence accessible for
4 a qualified person in a manner that is necessary due to the
5 qualified person's age, disability, or condition.
6 *b. "Medical provider"* means a physician, physician
7 assistant, advanced registered nurse practitioner, physical
8 therapist, or occupational therapist.
9 *c. "Modification or improvement"* means a modification of or
10 improvement to a qualified person's residence that is certified
11 by a medical provider as being necessary to accommodate the
12 qualified person.
13 (1) A *"modification or improvement"* includes one or more of
14 the following:
15 (a) Providing for or installing a nonstep entrance.
16 (b) Providing for or installing exterior or interior ramps.
17 (c) Providing for or installing stairway lifts or
18 elevators.
19 (d) Providing for or installing handrails or grab bars, or
20 the reinforcement of grab bars.
21 (e) Providing for or installing hardware for doors.
22 (f) Widening exterior doors or interior hallways to more
23 than thirty-six inches.
24 (g) Widening interior doors to more than thirty-two inches.
25 (h) Modifying electrical components, including moving
26 electrical outlets and switches.
27 (i) Modifying bathrooms, including but not limited to
28 providing for the modification or installation of accessible
29 toilets, bathtubs, showers, plumbing, or fixtures.
30 (j) Modifying kitchens including but not limited to
31 providing for the modification or installation of accessible
32 countertops, cabinets, appliances, plumbing, or fixtures.
33 (k) Modifying bedrooms including but not limited to
34 the relocation of a bedroom to an accessible space in the
35 residence.

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(2) A *"modification or improvement"* does not include the construction of a new residence, or an addition to or modification of an existing residence that expands the living area but is not otherwise described in this paragraph *"c"*, subparagraph (1).

d. *"Qualified homeowner"* means a person who meets all of the following conditions:

(1) Has an income at or below the annual Iowa median household income.

(2) Is the owner of residential real property in this state, including a condominium, that is the primary residence of the owner.

(3) Is a qualified person or resides with a spouse or dependent who is a qualified person.

e. *"Qualified person"* means a person who is at least sixty years of age, or who is living with a disability, as defined in 42 U.S.C. §12102, or who has a chronic condition the prognosis for which requires a permanent modification to the qualified person's residence.

2. *a.* A home modification grant program is established in the department. The department shall administer the program and provide grants through expenditure of funds appropriated to the department for this purpose. Grants shall be made, in amounts not to exceed five thousand dollars per primary residence, to qualified homeowners for the purposes of modification or improvement to a qualified person's residence to accommodate the qualified person.

b. The department shall adopt rules pursuant to chapter 17A to administer the program.

c. Notwithstanding section 8.33, funds appropriated to the department for the purposes of the home modification grant program under this section that remain unencumbered or unobligated at the close of a fiscal year shall not revert but shall remain available for expenditure for the purposes designated.

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EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill establishes a home modification grant program to be administered by the department on aging (IDA). To receive a grant under the program, a qualified homeowner must have an income at or below the annual Iowa median household income, be the owner of a residential real property in the state that is the primary residence of the owner, and be a qualified person or reside with a spouse or dependent who is a qualified person. Under the bill, a "qualified person" means a person who meets one of the following conditions: is at least 60 years of age, is living with a disability as defined under federal law, or has a chronic condition the prognosis for which requires a permanent modification to the qualified person's residence. Grants under the program are limited to not more than $5,000 per primary residence and may only be used for modifications or improvements to a qualified person's residence that are certified by a medical provider as necessary to accommodate the qualified person. Under the bill, a "modification or improvement" does not include the construction of a new residence, or an addition to or modification of an existing residence that expands the living area but is not otherwise described as an allowable modification or improvement under the bill.

The bill makes an appropriation from the surplus of the general fund of the state remaining at the conclusion of each fiscal year, prior to the crediting or appropriating of the surplus to any other fund or for any other purpose, to IDA in an amount up to $1 million to provide state matching funds for federal funds received in the prior fiscal year for the home modification grant program. IDA shall report the receipt of any federal funding to the department of management upon receipt of such funds and the department of management shall determine the amount of funds to be appropriated based on the

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1 reported amount of federal funds received.

House File 507 - Introduced

HOUSE FILE 507
BY JACOBSEN and WESTRICH

A BILL FOR

1 An Act relating to consideration of the educational setting of
2 a minor child in a child custody proceeding.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2383YH (4) 89
pf/rh

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Section 1. Section 598.1, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. *"Educational setting"* means a public school, an accredited nonpublic school, competent private instruction in accordance with the provisions of chapter 299A, or any other method of educational instruction that satisfies the compulsory education requirements of chapter 299.

Sec. 2. Section 598.10, subsection 1, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* If the parents are in disagreement over a minor child's educational setting, the court shall consider the educational setting of the minor child in making a temporary order for custody. There is a rebuttable presumption that it is in the best interest of the minor child to remain in the educational setting in which the minor child was enrolled during the immediately preceding school year.

Sec. 3. Section 598.41, Code 2021, is amended by adding the following new subsections:

NEW SUBSECTION. 4A. If joint legal custody is awarded to both parents, but the parents are in disagreement over a minor child's educational setting, the court shall consider, and include a provision in the custody order regarding, the educational setting of the minor child. There is a rebuttable presumption that it is in the best interest of the minor child to remain in the educational setting in which the minor child was enrolled during the immediately preceding school year.

NEW SUBSECTION. 10. All orders relating to custody of a child shall specify the rights and responsibilities of each parent relative to the minor child's educational setting. The order shall, at a minimum, specify a parent's rights and responsibilities regarding physical access to the child during the school day; access to records involving the health, education, and welfare of the child; decision-making authority including instances when parental consent or authorization is required; and the removal of the child from the premises of the

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educational setting during school hours. Any parent with legal custody of the child shall provide a copy of the order to the educational setting and to the school district of the child to whom the order applies.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill provides that in determining temporary custody orders or the award of joint legal custody for a minor child, if the parents are in disagreement over the minor child's educational setting, the court is to consider the educational setting of the minor child. In the case of awarding joint legal custody, the court is also to include a provision in the order regarding the educational setting of the minor child. There is a rebuttable presumption that it is in the best interest of the minor child to remain in the educational setting in which the minor child was enrolled during the immediately preceding school year. The bill also defines "educational setting".

The bill directs that all orders relating to the custody of a child shall specify the rights and responsibilities of each parent relative to the minor child's educational setting and specifies the minimum rights and responsibilities to be addressed in the order. The bill requires that any parent with legal custody of the child is to provide a copy of the order to the educational setting and to the school district of the child to whom the order applies.

House File 508 - Introduced

HOUSE FILE 508
BY KONFRST, MASCHER, ANDERSON, HUNTER, JACOBY, KRESSIG, McCONKEY, BROWN-POWERS, LOHSE, and NIELSEN

A BILL FOR

1 An Act creating the restroom emergency access Act, and
2 providing civil penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1054YH (6) 89
pf/rh

H.F. 508

Section 1. NEW SECTION. **137E.1 Short title.**

This chapter shall be known and may be cited as the *"Restroom Emergency Access Act"*.

Sec. 2. NEW SECTION. **137E.2 Definitions.**

As used in this chapter unless the context otherwise requires:

1. *"Consumer"* means an individual who is lawfully on the premises of a retail establishment.

2. *"Department"* means the department of public health.

3. *"Eligible medical condition"* means all of the following:

a. Crohn's disease, ulcerative colitis, or any other inflammatory bowel disease.

b. Irritable bowel syndrome.

c. Any condition requiring the use of an ostomy device.

d. Any other medical condition that requires immediate access to a restroom facility.

4. *"Employee restroom facility"* means a restroom that is intended only for use by employees of a retail establishment and not for use by the public.

5. *"Health care professional"* means a person licensed under chapter 148 to practice medicine and surgery or osteopathic medicine and surgery, a registered nurse or an advanced registered nurse practitioner licensed under chapter 152 or an advanced practice registered nurse licensed under chapter 152E, or a physician assistant licensed to practice under chapter 148C.

6. *"Ostomy device"* means a medical device that creates an artificial passage for the elimination of body waste.

7. *"Restroom"* means a room containing a toilet.

8. *"Retail establishment"* means a place of business regularly open to the public in which the retail sale of goods or services to the ultimate consumer is the principal business conducted, and includes professional corporations and other entities where legal, medical, dental, engineering, architectural, or other professional services are delivered.

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"Retail establishment" does not include a residence unless the residence is regularly open to the public as a place of business.

Sec. 3. NEW SECTION. **137E.3 Retail establishment — consumer emergency access to employee restroom facilities.**

1. A retail establishment that provides an employee restroom facility for its employees and does not normally make a restroom available to the public shall allow a consumer to have emergency access to the employee restroom facility during normal business hours if the employee restroom facility is maintained in a reasonably safe manner and all of the following conditions are met:

a. The consumer requesting emergency access to the employee restroom facility suffers from an eligible medical condition and provides written documentation, as approved by the department, of the consumer's eligible medical condition to the retail establishment.

b. A public restroom is not immediately accessible to the consumer.

c. A sufficient number of employees of the retail establishment are working at the time the consumer requests emergency access to the employee restroom facility such that the consumer accessing the employee restroom facility does not cause the retail establishment to cease or significantly curtail normal business operations.

d. The employee restroom facility is located in an area of the retail establishment that does not present an obvious risk to the health or safety of the consumer or an obvious security risk to the retail establishment. For the purposes of this paragraph:

(1) *"Obvious risk to the health or safety of the consumer"* includes but is not limited to a situation where accessing the employee restroom facility requires the consumer to traverse an area where manufacturing or heavy equipment is in use, items are stored on high shelving, adequate lighting is not present,

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the flooring is wet or slippery, or hazardous materials are used or stored.

(2) *"Obvious security risk"* includes exposing the consumer to sensitive company documents, materials, or trade secrets.

2. This section shall not require a retail establishment to make any physical changes or improvements to an employee restroom facility.

Sec. 4. NEW SECTION. **137E.4 Liability.**

1. If an act or omission of a retail establishment or an employee of a retail establishment, in allowing a consumer who claims to have an eligible medical condition to have emergency access to the retail establishment's employee restroom facility as required by this chapter, results in an injury to or death of the consumer or an individual other than an employee of the retail establishment who is accompanying the consumer in an area not usually accessible to the public, the retail establishment and the employee are immune from civil liability if the act or omission is not grossly negligent.

2. An employee restroom facility provided to consumers solely to comply with this section shall not be considered a public restroom for the purposes of laws or regulations that generally govern facilities available to the public, but shall instead be governed by the laws and regulations that otherwise govern the restroom facility if it were not made available to a consumer pursuant to this chapter.

Sec. 5. NEW SECTION. **137E.5 Written documentation of eligible medical condition — rules.**

1. All of the following shall be accepted as written documentation of a consumer's eligible medical condition:

a. A copy of a statement signed by a consumer's health care professional that indicates the consumer has been formally diagnosed with an eligible medical condition.

b. An identification card issued by a nationally recognized health organization, approved by the department, that indicates the consumer has been formally diagnosed with an eligible

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1 medical condition.
2 2. The department shall develop a standard electronic form
3 that may be used by a health care professional to provide
4 the signed statement as described in subsection 1. The form
5 shall include a brief description of the consumer's rights
6 under this chapter and shall be made available to the public
7 electronically. This subsection shall not be construed to
8 require the department to distribute printed versions of the
9 form.
10 3. The department shall adopt rules pursuant to chapter 17A
11 to administer this chapter.
12 Sec. 6. NEW SECTION. **137E.6 Violations — penalties.**
13 1. A retail establishment or an employee of a retail
14 establishment that does not comply with this chapter or refuses
15 to provide a consumer emergency access to an employee restroom
16 facility as required by this chapter violates this chapter and
17 is subject to the penalties specified in this section.
18 2. *a.* For a first violation of this section, the city or
19 county attorney shall issue a warning letter to the retail
20 establishment and to any employee of the retail establishment
21 that denied emergency access to an employee restroom
22 facility in violation of this chapter, informing the retail
23 establishment and the employee of the retail establishment of
24 the requirements of this chapter.
25 *b.* A retail establishment or an employee of a retail
26 establishment that subsequently violates this chapter after
27 receiving the warning letter pursuant to subsection 1 is
28 subject to a civil penalty of two hundred dollars.
29 3. A person who forges, alters, improperly transfers, or
30 knowingly possesses and uses a forged or altered statement by a
31 health care professional or an identification card is subject
32 to a civil penalty of two hundred dollars.
33 EXPLANATION
34 **The inclusion of this explanation does not constitute agreement with**
35 **the explanation's substance by the members of the general assembly.**

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1 This bill provides for emergency access to an employee
2 restroom facility in retail establishments for individuals with
3 eligible medical conditions.
4 The bill creates a new Code chapter entitled the "Restroom
5 Emergency Access Act".
6 The bill provides definitions for the purposes of the
7 new Code chapter, including "eligible medical condition",
8 which includes Crohn's disease, ulcerative colitis, or any
9 other inflammatory bowel disease, irritable bowel syndrome,
10 any condition requiring the use of an ostomy device, and any
11 other medical condition that requires immediate access to a
12 restroom facility; "employee restroom facility", "health care
13 professional", and "retail establishment".
14 The bill requires a retail establishment that provides
15 an employee restroom facility for its employees and does
16 not normally make a restroom available to the public to
17 allow a consumer emergency access to the employee restroom
18 facility during normal business hours if the employee restroom
19 facility is maintained in a reasonably safe manner and certain
20 conditions are met. The conditions include that the consumer
21 requesting emergency access to the employee restroom facility
22 suffers from an eligible medical condition and provides written
23 documentation of the consumer's condition; a public restroom is
24 not immediately accessible to the consumer; a sufficient number
25 of employees are working at the time the consumer requests
26 emergency access to the employee restroom facility; and the
27 employee restroom facility is located in an area of the retail
28 establishment that does not present an obvious risk to the
29 health or safety of the consumer or an obvious security risk to
30 the retail establishment. The bill does not require a retail
31 establishment to make any physical changes or improvements to
32 an employee restroom facility. The bill provides that if an
33 act or omission of a retail establishment or an employee of a
34 retail establishment, in allowing a consumer who claims to have
35 an eligible medical condition emergency access to the retail

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establishment's employee restroom facility as required by this chapter, results in an injury to or death of the consumer or an individual other than an employee of the retail establishment who is accompanying the consumer in an area not usually accessible to the public, the retail establishment and the employee are immune from civil liability if the act or omission is not grossly negligent.

An employee restroom facility provided to comply with the bill is not to be considered a public restroom for the purposes of laws or regulations that generally govern facilities available to the public, but shall instead be governed by the laws and regulations that otherwise govern the restroom facility if it were not made available to a consumer under the bill.

The bill provides for the types of written documentation that are acceptable under the bill and directs the department of public health (DPH) to develop a standard electronic form that may be used by a health care professional to provide the acceptable signed statement under the bill. The bill directs DPH to adopt administrative rules to administer the bill.

Under the bill, a retail establishment or an employee of a retail establishment that does not comply with the bill or refuses to provide a consumer emergency access to an employee restroom facility as required by the bill violates the Code chapter. For a first violation, the city or county attorney shall issue a warning letter to the retail establishment and any employee of the retail establishment that denied emergency access in violation of the Code chapter, informing the retail establishment and the employee of the retail establishment of the requirements of this Code chapter. For a second or subsequent violation, the retail establishment or employee is subject to a civil penalty of $200. The bill also provides that a person who forges, alters, improperly transfers, or knowingly possesses and uses a forged or altered statement by a health care professional or an identification card is subject

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1 to a civil penalty of $200.

House File 509 - Introduced

HOUSE FILE 509
BY KONFRST

A BILL FOR

1 An Act relating to the employment rights of public school
2 employees and officials relating to student exercise of free
3 expression in public schools and providing remedies.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2246YH (2) 89
je/jh

H.F. 509

Section 1. Section 280.22, subsections 4 and 5, Code 2021, are amended to read as follows:

4. Each board of directors of a public school shall adopt rules in the form of a written publications code, which shall include reasonable provisions for the time, place, and manner of conducting such activities within its jurisdiction. The code shall incorporate all of the provisions of this section. The board shall make the code available to the students and their parents.

5. Student editors of official school publications shall assign and edit the news, editorial, and feature content of their publications subject to the limitations of this section. Journalism advisers of students producing official school publications shall ~~supervise~~ maintain the production of the student staff~~,~~ in order to maintain professional standards of English and journalism~~,~~ and to comply with this section.

Sec. 2. Section 280.22, Code 2021, is amended by adding the following new subsections:

NEW SUBSECTION. 6A. A public school employee or official shall not be dismissed, suspended, disciplined, reassigned, transferred, subject to termination or nonrenewal of a teaching contract issued under section 279.13 or an extracurricular contract issued under section 279.19A, or otherwise retaliated against for acting to protect a student for engaging in conduct authorized under this section, or refusing to infringe upon student conduct that is protected by this section, the first amendment to the Constitution of the United States, or Article I, section 7, of the Constitution of the State of Iowa.

NEW SUBSECTION. 6B. An aggrieved person may seek injunctive or declaratory relief in a civil action arising out of this section. Such an action shall not expire upon a student's graduation if a student is a plaintiff and the grounds for the action occurred while the student was enrolled in a public school.

EXPLANATION

H.F. 509

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

Code section 280.22 provides that public school students have the right to exercise freedom of speech, including the right of expression in official school publications, with exceptions for materials that are obscene, libelous, or slanderous, or encourage students to commit unlawful acts, violate lawful school regulations, or cause the material and substantial disruption of the orderly operation of the school. Prior restraint of permitted materials is prohibited. Expression made by students in the exercise of free speech shall not be deemed to be an expression of school policy, and a public school is not liable for such expression.

This bill provides that a public school employee or official shall not be dismissed, suspended, disciplined, reassigned, transferred, subject to termination or nonrenewal of a teaching contract or an extracurricular contract, or otherwise retaliated against for acting to protect a student for engaging in conduct authorized under Iowa law pertaining to freedom of expression of public school students, or refusing to infringe upon student conduct that is protected by such Iowa law, the first amendment to the Constitution of the United States, or Article I, section 7, of the Constitution of the State of Iowa.

The bill modifies a requirement that journalism advisers of students producing official school publications supervise the production of the student staff to instead require that advisors maintain the production of the student staff.

The bill provides that the written publications code that each school board is required to adopt under Code section 280.22 shall incorporate all of the provisions of that Code section.

The bill provides that an aggrieved person may seek injunctive or declaratory relief in a civil action arising out of Code section 280.22. Such an action shall not expire upon a student's graduation if a student is a plaintiff and the

H.F. 509

1 grounds for the action occurred while the student was enrolled
2 in a public school.

House File 510 - Introduced

HOUSE FILE 510
BY WOLFE and MOMMSEN

A BILL FOR

An Act relating to the expungement of an operating-while-intoxicated offense that is a serious misdemeanor under certain circumstances.

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

TLSB 2491YH (3) 89
as/rh

H.F. 510

Section 1. Section 901C.3, subsection 2, paragraph e, Code 2021, is amended to read as follows:

e. A conviction under section 321J.2, except for a conviction under section 321J.2, subsection 2, paragraph *"a"*, involving a defendant who was twenty-five years of age or younger at the time of the offense, and if the offense did not involve a serious injury, as defined in section 702.18, to any person other than to the defendant.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the expungement of an operating-while-intoxicated (OWI) offense that is a serious misdemeanor under certain circumstances.

Current law does not allow the expungement of a conviction under Code section 321J.2. The bill provides that a conviction under Code section 321J.2 that is a serious misdemeanor shall not be expunged except for a conviction involving a defendant who was 25 years of age or younger at the time of the offense, and the offense did not involve a serious injury, as defined in Code section 702.18, to any person other than to the defendant.

House File 511 - Introduced

HOUSE FILE 511
BY SORENSEN

(COMPANION TO SF 227 BY
CHAPMAN)

A BILL FOR

1 An Act providing for a monument to Martin Treptow on the
2 capitol complex grounds.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2331YH (1) 89
ss/rn

H.F. 511

Section 1. MARTIN TREPTOW — CAPITOL COMPLEX MONUMENT.

1. The department of administrative services, in consultation with the capitol planning commission, shall authorize the placement of a monument to Martin Treptow on the capitol complex grounds subject to the requirements of this section.

2. The department of administrative services shall solicit and approve an application for the construction of a monument to Martin Treptow as an Iowa state capitol complex site feature. An application for the construction of the monument shall specify the design concept for the monument, provide an estimated total cost for the site feature, identify planned sources of funding, provide a proposed timeline for the project, and such other information as the department requires. Each proposed design concept shall include a plate, engraving, or other method by which the poem "My Pledge" by Martin Treptow shall appear on the monument. If more than one application is submitted, the department, in consultation with the capitol planning commission, shall approve the application that can best meet the requirements for construction and maintenance of the site feature.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill requires the department of administrative services, in consultation with the capitol planning commission, to authorize the placement of a monument to Martin Treptow on the capitol complex grounds. The bill requires the department to solicit and approve an application for the monument, which shall include the poem "My Pledge" by Martin Treptow. If more than one application is submitted, the department, in consultation with the capitol planning commission, shall approve the application that can best meet the requirements for construction and maintenance of the monument.

House File 512 - Introduced

HOUSE FILE 512
BY JACOBY

A BILL FOR

1 An Act excluding from Iowa net income federal recovery rebates,
2 certain paycheck protection program loan forgiveness, and
3 pandemic-related unemployment compensation, and including
4 effective date and retroactive applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1821YH (4) 89
jm/jh

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DIVISION I

FEDERAL RECOVERY REBATES

Section 1. IOWA INCOME TAX EXCLUSION FOR SECOND ROUND OF FEDERAL RECOVERY REBATES. In determining the amount of deduction for federal income tax under section 422.9 for tax years beginning in the 2020 calendar year, the amount of the deduction shall not be adjusted by the amount received by the taxpayer during the tax year of the income tax rebate provided pursuant to the federal Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, §272, and the amount of such income tax rebate shall not be subject to taxation under chapter 422, subchapter II.

Sec. 2. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION II

PAYCHECK PROTECTION PROGRAM (PPP)

Sec. 3. Section 422.7, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 63. *a.* Subtract, to the extent included, the amount of any federal paycheck protection program second draw loan forgiveness pursuant to Pub. L. No. 116-260, §311, for tax years beginning on or after January 1, 2021, but before January 1, 2022.

b. This subsection is repealed on January 1, 2027.

Sec. 4. Section 422.35, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 31. *a.* Subtract, to the extent included, the amount of any federal paycheck protection program second draw loan forgiveness pursuant to Pub. L. No. 116-260, §311, for tax years beginning on or after January 1, 2021, but before January 1, 2022.

b. This subsection is repealed on January 1, 2027.

Sec. 5. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 6. RETROACTIVE APPLICABILITY. This division of this

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Act applies retroactively to January 1, 2021, for tax years beginning on or after that date but before tax years beginning on or after January 1, 2022.

DIVISION III

UNEMPLOYMENT COMPENSATION

Sec. 7. Section 422.7, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 64. *a.* Notwithstanding any other provision of law to the contrary, for any tax year beginning on or after January 1, 2020, but before January 1, 2022, subtract to the extent included compensation or assistance received by the taxpayer authorized pursuant to any of the following federal programs:

(1) Pandemic unemployment assistance, Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, §2102.

(2) Pandemic emergency unemployment compensation, Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, §2107.

(3) Pandemic unemployment compensation related to subparagraphs (1) and (2) approved by the memorandum authorizing the other needs assistance program for major disaster declarations related to the coronavirus disease 2019, issued by the president of the United States on August 8, 2020.

(4) Extension of pandemic unemployment compensation under subchapter 1 of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260.

b. This subsection is repealed January 1, 2027.

Sec. 8. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 9. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to January 1, 2020, for tax years beginning on or after that date but before January 1, 2022.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

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This bill excludes from Iowa net income federal recovery rebates, certain paycheck protection program loan forgiveness, and pandemic-related unemployment compensation. The bill is divided into divisions.

DIVISION I — FEDERAL RECOVERY REBATES. The bill relates to the state taxation of the federal recovery rebates (stimulus checks).

In determining the amount of deduction for federal income tax for tax years beginning in the 2020 calendar year, the amount of the deduction for the tax year shall not be adjusted by the second round of stimulus checks received during the tax year of the income tax rebate provided pursuant to the federal Consolidated Appropriations Act, 2021, and the amount of such income tax rebate shall not be subject to state taxation.

Current law excludes the first recovery rebate in 2020 Iowa Acts, chapter 1118, section 114.

The division takes effect upon enactment.

DIVISION II — PAYCHECK PROTECTION PROGRAM (PPP). The bill excludes from the calculation of Iowa income tax the federal paycheck protection program second draw loan proceeds from the federal Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, that are forgiven and excluded from federal gross income. Current law excludes the first round of paycheck protection program loan forgiveness in 2018 Iowa Acts, chapter 1118, section 109.

The division takes effect upon enactment and applies retroactively to January 1, 2021, for tax years beginning on or after that date but before tax years beginning on or after January 1, 2022.

DIVISION III — UNEMPLOYMENT COMPENSATION. Under the bill, a taxpayer who has received compensation authorized pursuant to certain federal programs shall not include in the taxpayer's Iowa net income the following: pandemic unemployment assistance; pandemic emergency unemployment compensation; pandemic unemployment compensation received through the

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1 memorandum issued by the president of the United States on
2 August 8, 2020; and the extension of pandemic unemployment
3 compensation.
4 The division takes effect upon enactment and applies
5 retroactively to January 1, 2020, for tax years beginning on or
6 after that date but before January 1, 2022.

House File 513 - Introduced

HOUSE FILE 513
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 161)

A BILL FOR

1 An Act relating to pari-mutuel wagering on horse or dog races
2 licensed in a foreign jurisdiction.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2318HV (1) 89
dg/rn

H.F. 513

Section 1. Section 99D.11, subsection 6, paragraph b, subparagraph (1), Code 2021, is amended to read as follows:

(1) The commission may authorize the licensee to simultaneously telecast within the racetrack enclosure or at the facility of a licensee authorized to operate an excursion gambling boat or gambling structure under chapter 99F, for the purpose of pari-mutuel wagering, a horse or dog race licensed by the racing authority of another state or foreign jurisdiction. It is the responsibility of each licensee to obtain the consent of appropriate racing officials in other states as required by the federal Interstate Horseracing Act of 1978, 15 U.S.C. §3001 — 3007, to televise races for the purpose of conducting pari-mutuel wagering.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to pari-mutuel wagering on horse or dog races licensed in a foreign jurisdiction.

The bill allows licensees to simultaneously telecast from the licensee's racetrack enclosure, excursion gambling boat, or gambling structure, horse or dog races from foreign jurisdictions. Under current law, wagering needs to take place inside the enclosure where the race is held unless the race is simultaneously telecast from a licensee's racetrack enclosure, excursion gambling boat, or gambling structure, and the state racing and gaming commission may only authorize licensees to simultaneously telecast horse and dog races licensed by the racing authority of another state.

House File 514 - Introduced

HOUSE FILE 514
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 73)

A BILL FOR

1 An Act relating to the practice of pharmacy, and providing for
2 a repeal.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1318HV (1) 89
pf/rh

H.F. 514

DIVISION I

PHARMACY TECHNICIANS AND PHARMACY SUPPORT PERSONS —— REGISTRATION AND DELEGATION OF FUNCTIONS

Section 1. Section 147.107, subsection 2, paragraph d, Code 2021, is amended to read as follows:

d. A pharmacist who dispenses prescription drugs, including but not limited to controlled substances, for human use, may delegate nonjudgmental dispensing functions only when verification of the accuracy and completeness of the dispensing is determined by the pharmacist in the pharmacist's physical presence. The pharmacist's verification of the accuracy of the prescription drug dispensed shall not be required when verified by a certified pharmacy technician in a technician product verification program ~~or a tech-check-tech program~~ as defined in section 155A.3. The pharmacist's physical presence shall not be required when the pharmacist is remotely supervising pharmacy personnel operating in ~~an approved~~ a licensed telepharmacy site or when utilizing an automated dispensing system that utilizes an internal quality control assurance plan. When utilizing a technician product verification program ~~or tech-check-tech program~~, or when remotely supervising pharmacy personnel operating at ~~an approved~~ a licensed telepharmacy site, the pharmacist shall utilize an internal quality control assurance plan, in accordance with rules adopted by the board of pharmacy, that ensures accuracy for dispensing. Automated dispensing verification, technician product verification, and telepharmacy practice accuracy and completeness remains the responsibility of the pharmacist and shall be determined in accordance with rules adopted by the board of pharmacy.

Sec. 2. Section 155A.3, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 35A. *"Pharmacy support person"* means a person, other than a licensed pharmacist, a registered pharmacist-intern, or a registered pharmacy technician, who

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may perform nontechnical duties assigned by a supervising pharmacist under the pharmacist's responsibility and supervision.

Sec. 3. Section 155A.3, subsection 46, Code 2021, is amended by striking the subsection.

Sec. 4. Section 155A.6A, subsections 3 and 4, Code 2021, are amended to read as follows:

3. A person who is in the process of acquiring national certification as a pharmacy technician and who is in training to become a pharmacy technician shall register with the board as a pharmacy technician. ~~The registration shall be issued for a period not to exceed one year and shall not be renewable.~~

4. The board shall adopt rules in accordance with chapter 17A on matters pertaining to pharmacy technician registration, application, forms, renewals, fees, termination of registration, ~~tech-check-tech programs,~~ technician product verification programs, national certification, training, and any other relevant matters.

Sec. 5. Section 155A.33, Code 2021, is amended to read as follows:

155A.33 Delegation of ~~technical~~ functions.

A pharmacist may delegate <u>any</u> technical ~~dispensing~~ functions to pharmacy technicians <u>and any nontechnical functions to pharmacy support persons</u>, but only if the pharmacist is ~~physically present~~ <u>available</u> to ~~verify the accuracy and completeness~~ <u>provide professional oversight</u> of the ~~patient's prescription prior to the delivery of the prescription to the patient or the patient's representative~~ <u>delegated functions performed by the pharmacy technician or pharmacy support person</u>. ~~However, the physical presence requirement does not apply when a pharmacist is utilizing an automated dispensing system or a technician product verification program or when a pharmacist is remotely supervising a certified pharmacy technician practicing at a telepharmacy site approved by the board. When using an automated dispensing system or a~~

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~~technician product verification program, or when remotely supervising a certified pharmacy technician practicing at an approved telepharmacy site, the pharmacist shall utilize an internal quality control assurance plan that ensures accuracy for dispensing.~~ Verification of automated dispensing, technician product verification, and telepharmacy practice accuracy and completeness remains the responsibility of the pharmacist and shall be determined in accordance with rules adopted by the board.

DIVISION II

OUTSOURCING FACILITY LICENSE

Sec. 6. Section 155A.13C, subsection 1, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *e.* Submit evidence of a satisfactory inspection conducted by the home state regulatory authority or an entity approved by the board in the two-year period immediately preceding the application which demonstrates compliance with current good manufacturing practices. In addition, the applicant shall submit evidence of correction of all deficiencies discovered in such inspections and evidence of compliance with all directives from the home state regulatory authority or entity approved by the board. The board may recover from an outsourcing facility, prior to the issuance of a license or license renewal, the costs associated with conducting an inspection by or on behalf of the board for purposes of satisfying the requirements of this paragraph.

DIVISION III

INFORMATION SHARING

Sec. 7. Section 155A.45, Code 2021, is amended to read as follows:

155A.45 ~~Inspection reports~~ Reports — disclosure.

1. Notwithstanding section 272C.6, subsection 4, paragraph *"a"*, an inspection report in possession of the board, regardless of whether the report is based on a routine inspection or an inspection prompted by one or more complaints, may be disclosed

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to the national association of boards of pharmacy's inspection network.

2. Notwithstanding section 272C.6, subsection 4, paragraph "a", any complaints, investigative information, or data collected pertaining to compounded human drug products may be disclosed to the United States food and drug administration, including through the use of an information sharing network, in order to comply with any memorandum of understanding with the United States food and drug administration.

DIVISION IV

PHARMACY PILOT OR DEMONSTRATION RESEARCH PROJECTS

Sec. 8. NEW SECTION. **155A.47 Pilot or demonstration research projects.**

1. Notwithstanding any provision of section 147.107, subsection 2, or section 155A.33 to the contrary, the board may approve a pilot or demonstration research project of innovative applications in the practice of pharmacy to provide enhanced patient care.

2. The board shall adopt rules pursuant to chapter 17A for application for and approval of such projects. The rules may include exceptions to any existing rules under the purview of the board as necessary for completion of the project, limited to the duration of the project. The board may approve a project for no more than eighteen months. The board may extend or renew a project in accordance with board rules. All projects shall comply with the rules adopted for such projects.

3. The board shall not approve any project that expands the practice of pharmacy as defined in section 155A.3.

Sec. 9. REPEAL. 2011 Iowa Acts, chapter 63, section 36, is repealed.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to pharmacy practice.

Division I of the bill eliminates the tech-check-tech

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program. The board of pharmacy (board) adopted administrative rules to implement and establish a technician product verification program as authorized by 2018 Iowa Acts, chapter 1142, enacting Code section 155A.33A. Division I eliminates the one-year registration limitation for a person in training to become a pharmacy technician and makes conforming terminology changes. Division I also amends provisions relating to the delegation of technical functions between a pharmacist and a pharmacy technician or pharmacy support person.

Division II of the bill requires a drug compounding outsourcing facility seeking licensure in the state to have been inspected by the facility's home state regulatory authority or other entity approved by the board in the two-year period immediately preceding the application, which inspection demonstrates compliance with federal current good manufacturing practices. Division II also allows the board to recover from an outsourcing facility costs associated with conducting an inspection to satisfy the inspection requirement.

Division III of the bill authorizes the board of pharmacy to share information collected relating to compounded human drug products with the United States food and drug administration (FDA) pursuant to any memorandum of understanding between the board of pharmacy and the FDA.

Division IV of the bill codifies the provisions of 2011 Iowa Acts, chapter 63, section 36, relating to pharmacy pilot or demonstration research projects. The language in Division IV differs from these provisions by eliminating language limiting the projects to those based solely on prescription verification and by eliminating the requirement that the board report the approval or denial of projects to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services.

House File 515 - Introduced

HOUSE FILE 515
BY SALMON

A BILL FOR

1 An Act creating an alternatives to abortion program, and making
2 an appropriation.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2496YH (6) 89
pf/rh

H.F. 515

Section 1. NEW SECTION. **217.41C Alternatives to abortion program.**

1. The department of human services shall create a statewide alternatives to abortion program to promote childbirth and to provide support services to pregnant women. The alternatives to abortion program is designed to do all of the following:

a. Provide a holistic approach and personalized support to pregnant women considering abortion to provide stabilization to families and reduce abortion.

b. Reduce the number of abortions and improve pregnancy outcomes by helping women practice sound health-related behaviors and improve prenatal nutrition.

c. Improve child health and development by helping parents provide responsible and competent care for their children.

d. Improve family economic self-sufficiency by linking parents to services that address individual economic and social needs.

2. The department shall issue a request for proposals to administer the program. Eligible contractors shall meet all of the following requirements:

a. Be a nonprofit entity.

b. Have a commitment to promoting childbirth as a fundamental part of the contractor's mission.

c. Operate pregnancy resource centers.

d. Utilize proactive targeted digital marketing using proven search engine marketing techniques to reach pregnant women in real time who are in crisis and actively seeking an abortion, and employ specific scripting strategies to create a conversation with these pregnant women to encourage them to choose an alternative to an abortion by increasing awareness of services and removing obstacles to care.

e. Utilize a virtual clinic model that is premised on active outreach, speed to care, and the coordination of local services to connect the pregnant woman to caregivers who use collaborative shared decision-making tools to allow a pregnant

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1 woman to identify obstacles, schedule a pregnancy test and
2 an ultrasound at a local pregnancy resource center, design
3 and execute a personalized care plan, and comprehensively
4 address needs that encourage a healthy pregnancy by linking the
5 pregnant woman to a continuum of care program and community
6 resources including local pregnancy centers, adoption agencies,
7 housing, job training, government benefits, child care, health
8 care, material assistance, transportation, financial literacy,
9 life skills, and other resources.
10 *f.* Track key information throughout the entire cycle of the
11 contractor's interactions with a pregnant woman including but
12 not limited to key demographic and socioeconomic information,
13 services provided, referrals provided, and program enrollment,
14 to provide program transparency and accountability.
15 3. The department of human services shall adopt rules
16 pursuant to chapter 17A to administer the program, and
17 shall provide technical assistance to contractors, monitor
18 contractors for adherence to state and federal requirements,
19 and collect and maintain program data.
20 Sec. 2. ALTERNATIVES TO ABORTION PROGRAM —— APPROPRIATION.
21 There is appropriated from the general fund of the state to the
22 department of human services for the fiscal year beginning July
23 1, 2021, and ending June 30, 2022, the following amount, or so
24 much thereof as is necessary, for the purpose designated:
25 For distribution through a request for proposals process to
26 contractors administering the alternatives to abortion program
27 created in section 217.41C, as enacted in this Act:
28 ..... $ 879,152
29 EXPLANATION
30 **The inclusion of this explanation does not constitute agreement with**
31 **the explanation's substance by the members of the general assembly.**
32 This bill creates an alternatives to abortion program, and
33 makes an appropriation.
34 The bill requires the department of human services (DHS) to
35 create a statewide alternatives to abortion program to promote

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1 childbirth and to provide support services to pregnant women.
2 The bill specifies that the program is designed to provide a
3 holistic approach and personalized support to pregnant women
4 considering abortion to provide stabilization to families
5 and reduce abortion; reduce the number of abortions and
6 improve pregnancy outcomes by helping women practice sound
7 health-related behaviors and improve prenatal nutrition;
8 improve child health and development by helping parents provide
9 responsible and competent care for their children; and improve
10 family economic self-sufficiency by linking parents to services
11 that address individual economic and social needs.
12 DHS shall issue a request for proposals to administer the
13 program. The bill specifies that an eligible contractor shall
14 meet all of the following requirements: be a nonprofit entity;
15 have a commitment to promoting childbirth as a fundamental
16 part of the contractor's mission; operate pregnancy resource
17 centers; utilize proactive targeted digital marketing to reach
18 pregnant women in real time who are in crisis and actively
19 seeking an abortion and employ specific scripting strategies to
20 create a conversation with these pregnant women to encourage
21 them to choose an alternative to an abortion by increasing
22 awareness of services and removing obstacles to care; utilize
23 a virtual clinic model to connect the pregnant woman to
24 caregivers who use collaborative shared decision-making tools
25 to allow a pregnant woman to identify obstacles, schedule
26 a pregnancy test and an ultrasound at a local pregnancy
27 resource center, design and execute a personalized care plan,
28 and comprehensively address needs that encourage a healthy
29 pregnancy by linking the pregnant woman to a continuum of care
30 program and community resources; and track key information
31 throughout the entire cycle of the contractor's interactions
32 with a pregnant woman to provide program transparency and
33 accountability.
34 DHS shall adopt administrative rules to administer the
35 program, and shall provide technical assistance to contractors,

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1 monitor contractors for adherence to state and federal
2 requirements, and collect and maintain program data.
3 The bill makes an appropriation to DHS for FY 2021-2022
4 for distribution through a request for proposals process to
5 contractors administering the alternatives to abortion program.

House File 516 - Introduced

HOUSE FILE 516
BY JENEARY and BRADLEY

A BILL FOR

1 An Act relating to the placement of dental sealants on teeth by
2 a dental assistant.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2528YH (4) 89
pf/rh

H.F. 516

Section 1. Section 153.38, Code 2021, is amended to read as follows:

153.38 Dental assistants — scope of practice.

1. A registered dental assistant may perform those services of assistance to a licensed dentist as determined by the board by rule. A registered dental assistant with additional education and training, as provided by the board by rule, may become certified to perform expanded functions or become qualified to participate in dental radiography.

2. Level one expanded function procedures for dental assistants shall include the placement of dental sealants on teeth. A registered dental assistant who has successfully completed level one expanded function procedures training through ~~the university of Iowa college of dentistry or~~ a program certified by the commission on dental accreditation or through another program or entity approved by the board may place dental sealants on teeth.

3. Services performed by a registered dental assistant shall be performed under supervision of a licensed dentist, but this section shall not be construed to authorize a dental assistant to practice dentistry or dental hygiene.

4. The board shall not adopt rules that delegate to a dental assistant the administration of local anesthesia or the removal of plaque, stain, calculus, or hard natural material except by toothbrush, floss, or rubber cup coronal polish.

5. Every licensed dentist who utilizes the services of a registered dental assistant for the purpose of assistance in the practice of dentistry shall be responsible for acts delegated to the registered dental assistant.

6. A dentist shall delegate to a registered dental assistant only those acts which are authorized to be delegated to registered dental assistants by the board.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

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This bill relates to the scope of practice of dental assistants.

Under current law, a registered dental assistant may perform those services of assistance to a licensed dentist as determined by the dental board by rule. A registered dental assistant with additional education and training, as provided by the board by rule, may become certified to perform expanded functions or become qualified to participate in dental radiography.

Current law also provides that a registered dental assistant who has successfully completed expanded function training through the university of Iowa college of dentistry or a program certified by the commission on dental accreditation may place sealants on teeth.

The dental board noticed rule ARC 5381C, reviewed by the administrative rules review committee on February 5, 2021, proposed amending 650 IAC 23.6 to provide that level two expanded function procedures for dental assistants include the placement of sealants.

The bill provides instead that level one expanded function procedures for dental assistants shall include the placement of dental sealants on teeth and that a registered dental assistant who has successfully completed level one expanded function procedures training through a program certified by the commission on dental accreditation or through another program or entity approved by the dental board may place dental sealants on teeth.

House File 517 - Introduced

HOUSE FILE 517
BY A. MEYER and FRY

A BILL FOR

1 An Act relating to noneconomic damage awards against health
2 care providers.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2536YH (3) 89
cm/jh

H.F. 517

Section 1. Section 147.136A, subsection 2, Code 2021, is amended to read as follows:

2. The total amount recoverable in any civil action for noneconomic damages for personal injury or death, whether in tort, contract, or otherwise, against a health care provider shall be limited to ~~two hundred fifty thousand~~ one million dollars for any occurrence resulting in injury or death of a patient regardless of the number of plaintiffs, derivative claims, theories of liability, or defendants in the civil action~~, unless the jury determines that there is a substantial or permanent loss or impairment of a bodily function, substantial disfigurement, or death, which warrants a finding that imposition of such a limitation would deprive the plaintiff of just compensation for the injuries sustained~~.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

Under current law, the limit for the total amount recoverable for noneconomic damages for personal injury or death against a health care provider in a civil action is $250,000, unless the jury determines that there is substantial or permanent loss or impairment of a bodily function, substantial disfigurement, or death, which warrants a finding that imposition of such a limitation would deprive the plaintiff of just compensation for the injuries sustained. This bill increases the cap from $250,000 to $1 million and removes the exception to the cap.

House File 518 - Introduced

HOUSE FILE 518
BY SHIPLEY, JENEARY, JACOBSEN,
STONE, and KAUFMANN

A BILL FOR

1 An Act creating the second amendment preservation Act.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1891YH (6) 89
js/rh

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Section 1. NEW SECTION. **724A.1 Short title.**

This chapter may be cited and referred to as the *"Second Amendment Preservation Act"*.

Sec. 2. NEW SECTION. **724A.2 Definition.**

As used in this chapter, *"law-abiding citizen"* means a person who is not otherwise precluded under state law from possessing a firearm and shall not be construed to include anyone who is not legally present in the United States or the state of Iowa.

Sec. 3. NEW SECTION. **724A.3 Legislative findings.**

The general assembly finds and declares the following:

1. The general assembly is firmly resolved to support and defend the Constitution of the United States against every aggression, whether foreign or domestic, and is duty-bound to oppose every infraction of those principles that constitute the basis of the United States because only a faithful observance of those principles can secure the nation's existence and the public happiness.

2. Acting through the Constitution of the United States, the people of the several states created the federal government to be their agent in the exercise of a few defined powers, while reserving for the state governments the power to legislate on matters concerning the lives, liberties, and properties of citizens in the ordinary course of affairs.

3. The limitation of the federal government's power is affirmed under the tenth amendment to the Constitution of the United States, which defines the total scope of federal power as being that which has been delegated by the people of the several states to the federal government, and all power not delegated to the federal government in the Constitution of the United States is reserved to the states respectively or to the people themselves.

4. If the federal government assumes powers that the people did not grant it in the Constitution of the United States, its acts are unauthoritative, void, and of no force.

5. The several states of the United States respect

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the proper role of the federal government but reject the proposition that such respect requires unlimited submission. If the government, created by a compact among the states, was the exclusive or final judge of the extent of the powers granted to it by the states through the Constitution of the United States, the federal government's discretion, and not the Constitution of the United States, would necessarily become the measure of those powers. To the contrary, as in all other cases of compacts among powers having no common judge, each party has an equal right to judge for itself as to whether infractions of the compact have occurred, as well as to determine the mode and measure of redress. Although the several states have granted supremacy to laws and treaties made under the powers granted in the Constitution of the United States, such supremacy does not extend to various federal statutes, executive orders, administrative orders, court orders, rules, regulations, or other actions that collect data or restrict or prohibit the manufacture, ownership, and use of firearms, firearm accessories, or ammunition exclusively within the borders of Iowa. Such statutes, executive orders, administrative orders, court orders, rules, regulations, and other actions exceed the powers granted to the federal government except to the extent they are necessary and proper for governing and regulating the United States armed forces or for organizing, arming, and disciplining militia forces actively employed in the service of the United States armed forces.

6. The people of the several states have given the United States Congress the power "to regulate commerce with foreign nations, and among the several states", but "regulating commerce" does not include the power to limit citizens' right to keep and bear arms in defense of their families, neighbors, persons, or property, or to dictate what sort of arms and accessories law-abiding Iowans may buy, sell, exchange, or otherwise possess within the borders of this state.

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7. The people of the several states have also granted the United States Congress the power "to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States" and "to make all laws which shall be necessary and proper for carrying into execution" the powers vested by the Constitution of the United States "in the government of the United States, or in any department or officer thereof". These constitutional provisions merely identify the means by which the federal government may execute its limited powers and shall not be construed to grant unlimited power because to do so would be to destroy the carefully constructed equilibrium between the federal and state governments. Consequently, the general assembly rejects any claim that the taxing and spending powers of the United States Congress may be used to diminish in any way the right of the people to keep and bear arms.

8. The people of Iowa have vested the general assembly with the authority to regulate the manufacture, possession, exchange, and use of firearms firearm accessories, or ammunition within the borders of this state, subject only to the limits imposed by the second amendment to the Constitution of the United States and the Constitution of the State of Iowa.

9. The general assembly of the state of Iowa strongly promotes responsible firearm ownership, including parental supervision of minors in the proper use, storage, and ownership of all firearms; the prompt reporting of stolen firearms; and the proper enforcement of all state firearm laws. The general assembly of the state of Iowa hereby condemns any unlawful transfer of firearms and the use of any firearm in any criminal or unlawful activity.

Sec. 4. NEW SECTION. **724A.4 Federal infringements on the right to keep and bear arms.**

Federal infringements on the people's right to keep and bear arms, as guaranteed by the second amendment to the Constitution of the United States, within the borders of this state include

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but shall not be limited to the following federal acts, laws, executive orders, administrative orders, court orders, rules, and regulations:

1. Any tax, levy, fee, or stamp imposed on firearms, firearm accessories, or ammunition not common to all other goods and services and that might reasonably be expected to create a chilling effect on the purchase or ownership of firearms, firearm accessories, or ammunition by law-abiding citizens.

2. Any registering or tracking of firearms, firearm accessories, or ammunition that might reasonably be expected to create a chilling effect on the purchase or ownership of firearms, firearm accessories, or ammunition by law-abiding citizens.

3. Any registering or tracking of the owners of firearms, firearm accessories, or ammunition that might reasonably be expected to create a chilling effect on the purchase or ownership of firearms, firearm accessories, or ammunition by law-abiding citizens.

4. Any act forbidding the possession, ownership, use, or transfer of firearms, firearm accessories, or ammunition by law-abiding citizens.

5. Any act ordering the confiscation of firearms, firearm accessories, or ammunition from law-abiding citizens.

Sec. 5. NEW SECTION. **724A.5 Federal infringement void.**

All federal acts, laws, executive orders, administrative orders, court orders, rules, and regulations, regardless if enacted before or after the provisions this chapter, that infringe on the people's right to keep and bear arms as guaranteed by the second amendment to the Constitution of the United States shall be invalid in this state, shall not be recognized by this state, shall be specifically rejected by this state, and shall have no effect in this state.

Sec. 6. NEW SECTION. **724A.6 Protection of right to keep and bear arms.**

It shall be the duty of the courts and law enforcement

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agencies of this state to protect the rights of law-abiding citizens to keep and bear arms within the borders of this state and to protect these rights from the infringements described in section 724A.4.

Sec. 7. NEW SECTION. **724A.7 Enforcement of infringement of right to keep and bear arms prohibited.**

No person, including any public officer or employee of this state or any political subdivision of this state, shall have the authority to enforce or attempt to enforce any federal acts, laws, executive orders, administrative orders, court orders, rules, regulations, statutes, or ordinances infringing on the right to keep and bear arms as described in section 724A.4.

Sec. 8. NEW SECTION. **724A.8 Liability for violation — attorney fees.**

1. Any entity that acts knowingly to violate the provisions of this chapter while acting under color of any state or federal law, including any political subdivision or law enforcement agency that employs a law enforcement officer who acts knowingly to violate the provisions of this chapter while acting under color of any state or federal law, shall be liable to the injured party in an action at law, suit in equity, or other proper proceeding for redress.

2. In such actions, the court may award the prevailing party, other than the state or any political subdivision of the state, reasonable attorney fees and costs.

3. Sovereign, official, or qualified immunity shall not be an affirmative defense in actions pursued under this section.

Sec. 9. NEW SECTION. **724A.9 Actions for violations.**

1. Any person residing or conducting business in a jurisdiction who believes that a law enforcement officer or supervisor of law enforcement officers of such jurisdiction has taken action that violates this chapter shall have standing to pursue an action against the jurisdiction that employs the officer or supervisor for declaratory judgment in the district

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court of the county in which the action allegedly occurred, or in the district court of Polk county.

2. If a court determines that a law enforcement officer or supervisor of law enforcement officers has taken any action that violates this chapter, the jurisdiction that employs the law enforcement officer or supervisor of law enforcement officers found to have violated this chapter shall be required to pay court costs, attorney fees, and any other damages the court finds necessary associated with the declaratory judgment action that resulted in the finding of ineligibility.

3. Nothing in this section shall preclude a person's right of appeal or remediation.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill creates the second amendment preservation Act.

The bill defines "law-abiding citizen" to include a person who is not otherwise precluded under state law from possessing a firearm and does not include anyone who is not legally present in the United States or the state of Iowa. The bill affirms the state of Iowa's authority to regulate firearms within its borders. The bill prohibits the enforcement of any federal infringement on the people's right to keep and bear arms. The bill provides examples of federal actions that are considered infringements on the right to keep and bear arms, including those actions that might reasonably be expected to create a chilling effect on the purchase or ownership of firearms, firearm accessories, or ammunition by law-abiding citizens or any act ordering the confiscation of firearms, firearm accessories, or ammunition from law-abiding citizens. The bill declares void in the state a federal action that is considered an infringement on the right to keep and bear arms.

The bill places a duty on courts and law enforcement agencies of this state to protect the rights of law-abiding citizens to keep and bear arms within the borders of this state and to

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1 protect these rights from the infringements defined in the
2 bill. The bill holds liable an entity that acts knowingly to
3 violate the provisions of the bill while acting under color
4 of any state or federal law. The bill also holds liable a
5 political subdivision or law enforcement agency that employs
6 a law enforcement officer who acts knowingly to violate the
7 provisions of the bill while acting under color of any state
8 or federal law. In an action for declaratory judgment,
9 a jurisdiction that employs a law enforcement officer or
10 supervisor of law enforcement officers who is found to have
11 violated the bill is responsible for paying court costs,
12 attorney fees, and any other damages the court determines are
13 necessary.

House File 519 - Introduced

HOUSE FILE 519
BY ANDERSON, HANSEN, and
COHOON

A BILL FOR

1 An Act relating to the election of presidential electors.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2488HH (3) 89
ss/jh

H.F. 519

Section 1. Section 50.45, Code 2021, is amended to read as follows:

50.45 Canvass public — result determined.

1. All canvasses of tally lists shall be public, and the persons having the greatest number of votes shall be declared elected, except as provided in subsection 2. When a public measure has been submitted to the electors, the proposition shall be declared to have been adopted if the vote cast in favor of the question is greater than fifty percent of the total vote cast in favor and against the question, unless laws pertaining specifically to the public measure election establish a higher percentage of a favorable vote. All ballots cast and not counted as a vote in favor or against the proposition shall not be used in computing the total vote cast in favor and against the proposition.

2. The persons declared elected to the position of presidential elector shall be as follows:

a. Two persons shall be declared elected who were selected by the political party, or group of petitioners, of the candidates for president and vice president who have the greatest number of votes statewide.

b. One person shall be declared elected from each congressional district who was selected by the political party, or group of petitioners, of the candidates for president and vice president who have the greatest number of votes in that congressional district.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the election of presidential electors. The bill changes the allocation of presidential electors such that two are declared elected from the political party, or group of petitioners, of the candidates for president and vice president who received the greatest number of votes statewide and one elector is declared elected from each congressional

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1 district who was selected by the political party, or group of
2 petitioners, of the candidates for president and vice president
3 having the greatest number of votes in that congressional
4 district. Under current law, all presidential electors are
5 allocated to the statewide winner.

House File 520 - Introduced

HOUSE FILE 520
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HSB 97)

A BILL FOR

1 An Act relating to the use of fees collected by a county
2 recorder or governing board of the county land record
3 information system for processing and recording instruments.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1310HV (3) 89
js/ns

H.F. 520

Section 1. Section 331.605B, subsection 2, Code 2021, is amended by striking the subsection and inserting in lieu thereof the following:

2. A recorder or the governing board of the county land record information system shall collect only statutorily authorized fees for land records management. The governing board of the county land record information system shall not collect a fee for viewing, accessing, or printing documents in the county land record information system unless specifically authorized by statute. The governing board of the county land record information system may collect a fee of not more than three dollars per recorded document for using the system to process electronic documents for recording. Fees collected for the processing of electronic documents for recording may be used for the purposes specified in section 331.604 and other purposes including but not limited to development, operation, and maintenance of the county land record information system and internet sites, systems for electronic filing for recording, associated payment systems, security systems, the land records databases, methods for searching the databases, processes for the redaction of personally identifiable information posted for public online access, and processes for the integration of land records information with other property information systems.

Sec. 2. Section 331.605B, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Use of the county land record information system shall be subject to the terms and conditions established by the governing board.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

Under current law, a county recorder and the governing board of the county land record information system (governing board) are allowed to collect only statutorily authorized fees for

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land records management. A county recorder and the governing board are prohibited from collecting a fee for viewing, accessing, or printing documents in the county land record information system unless specifically authorized by statute. This bill removes the county recorder from this prohibition. In addition, the bill strikes a provision authorizing a county recorder or the governing board to 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.

The bill allows the governing board to collect a fee of not more than $3 per recorded document for using the system to process electronic documents for recording, which fees may be used for purposes outlined in Code section 331.604 (recording and filing fees) and in the bill. The bill provides that the use of the county land record information system shall be subject to the terms and conditions established by the governing board.

House File 521 - Introduced

HOUSE FILE 521
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 102)

A BILL FOR

1 An Act relating to commercial driver's license driving
2 skills tests, providing fees, and including effective date
3 provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1747HV (1) 89
th/ns

H.F. 521

Section 1. Section 321.145, subsection 2, unnumbered paragraph 1, Code 2021, is amended to read as follows:

Revenues derived from trailer registration fees collected pursuant to sections 321.105 and 321.105A, fees charged for driver's licenses and nonoperator's identification cards, fees charged for commercial driver's license driving skills tests pursuant to section 321.187A, fees charged for the issuance of a certificate of title, the certificate of title surcharge collected pursuant to section 321.52A, and revenues credited pursuant to section 423.43, subsection 2, and section 423C.5 shall be deposited in a fund to be known as the statutory allocations fund under the control of the department and credited as follows:

Sec. 2. Section 321.186, subsection 1, Code 2021, is amended to read as follows:

1. The department may examine every new applicant for a driver's license or any person holding a valid driver's license when the department has reason to believe that the person may be physically or mentally incompetent to operate a motor vehicle, or whose driving record appears to the department to justify the examination. The department shall make every effort to accommodate a functionally illiterate applicant when the applicant is taking a knowledge test. ~~The department shall make every effort to have an examiner conduct the commercial driver's license driving skills tests at other locations in this state where skills may be adequately tested when requested by a person representing ten or more drivers requiring driving skills testing.~~

Sec. 3. Section 321.186, subsection 2, Code 2021, is amended by striking the subsection.

Sec. 4. Section 321.187, subsection 2, paragraph a, Code 2021, is amended to read as follows:

a. The driving skills test is the same as that which would otherwise be administered by the state. The fees for administering a commercial driver's license driving skills test

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as provided in sections 321.187A and 321M.6A shall not apply to a driving skills test administered by a third-party tester under this section.

Sec. 5. NEW SECTION. **321.187A Commercial driver's license driving skills tests — fees.**

1. The department shall make every effort to accommodate a commercial driver's license applicant's need to arrange an appointment for a driving skills test at an established test site other than where the applicant passed the required knowledge test. The department shall report to the governor and the general assembly on any problems, extraordinary costs, and recommendations regarding the appointment scheduling process.

2. The department shall make every effort to have an examiner conduct the commercial driver's license driving skills tests at other locations in this state where skills may be adequately tested when requested by a person representing ten or more drivers requiring driving skills testing.

3. *a.* The driving skills test for a commercial driver's license shall consist of three parts that must be completed in the following order:

(1) The pre-trip vehicle inspection test.

(2) The basic vehicle control skills test.

(3) The on-road driving skills test.

b. If the applicant fails one part of the test, the applicant shall not continue to the next part of the test, in accordance with 49 C.F.R. pt. 383, subpts. E, G, and H.

4. The department may charge any of the following fees to a commercial driver's license applicant related to the administration of a driving skills test:

a. A fee not to exceed twenty-five dollars to administer the pre-trip vehicle inspection test.

b. A fee not to exceed twenty-five dollars to administer the basic vehicle control skills test.

c. A fee not to exceed twenty-five dollars to administer the

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on-road driving skills test.

5. Fees authorized under this section may be assessed for each test and any fees collected are nonrefundable. The fee to administer the pre-trip vehicle inspection test is due at the time the appointment is scheduled. All other fees are due upon the completion of the test for which the fee was assessed. If the applicant fails to appear for the pre-trip vehicle inspection test, the appointment shall be canceled and no other fees shall be due. If the applicant fails one part of the driving skills test, no fees shall be due for subsequent parts of the test. This section shall not be construed to prohibit an applicant from scheduling a new test appointment upon payment of a new fee.

6. All fees authorized in this section are in addition to any other fees imposed by law.

7. The department shall remit all fees collected pursuant to this section monthly to the treasurer of state for deposit in the statutory allocations fund.

8. The department may adopt rules pursuant to chapter 17A to administer this section.

Sec. 6. NEW SECTION. **321M.6A Commercial driver's license driving skills tests — fees.**

1. A county certified to issue commercial driver's licenses under section 321M.6 may charge any of the following fees to a commercial driver's license applicant related to the administration of a driving skills test:

a. A fee not to exceed twenty-five dollars to administer the pre-trip vehicle inspection test.

b. A fee not to exceed twenty-five dollars to administer the basic vehicle control skills test.

c. A fee not to exceed twenty-five dollars to administer the on-road driving skills test.

2. Fees authorized under this section may be assessed for each test and any fees collected are nonrefundable. The fee to administer the pre-trip vehicle inspection test is due at

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the time the appointment is scheduled. All other fees are due upon the completion of the test for which the fee was assessed. If the applicant fails to appear for the pre-trip vehicle inspection test, the appointment shall be canceled and no other fees shall be due. If the applicant fails one part of the driving skills test, no fees shall be due for subsequent parts of the test. This section shall not be construed to prohibit an applicant from scheduling a new test appointment upon payment of a new fee.

3. All fees authorized in this section are in addition to any other fees imposed by law.

Sec. 7. Section 321M.9, subsection 1, Code 2021, is amended to read as follows:

1. *Fees to counties.*

a. Notwithstanding any other provision in the Code to the contrary, the county treasurer of a county authorized to issue driver's licenses under this chapter shall retain for deposit in the county general fund ~~seven~~ all of the following:

(1) Seven dollars of fees received for each issuance or renewal of driver's licenses and nonoperator's identification cards, but shall not retain any moneys for the issuance of any persons with disabilities identification devices.

(2) Twenty-five dollars of fees collected for each part of a commercial driver's license driving skills test pursuant to section 321M.6A.

(3) The five dollar processing fee charged by a county treasurer for collection of a civil penalty under section 321J.17 ~~shall be retained for deposit in the county general fund~~.

b. The county treasurer shall remit the balance of fees and all civil penalties to the department.

Sec. 8. EFFECTIVE DATE. This Act takes effect January 1, 2022.

EXPLANATION

The inclusion of this explanation does not constitute agreement with

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the explanation's substance by the members of the general assembly.

This bill relates to commercial driver's license (CDL) driving skills tests.

The bill allows the department of transportation (DOT) and any county certified to issue CDLs to charge certain fees for a CDL driving skills test. The allowed fees include a separate fee not to exceed $25 to administer each of the three parts of the CDL driving skills test, as designated in the bill. The pre-trip vehicle inspection test fee is due at the time the appointment is scheduled. The fees for the basic vehicle control skills test and the on-road driving skills test are due upon completion of each test. The fees do not apply to driving skills tests administered by third-party testers.

Fees collected by the DOT under the bill are deposited in the statutory allocations fund. Fees collected by a county under the bill are retained by the county for deposit in the county general fund.

All fees authorized in the bill are in addition to any other fees imposed by law.

The bill transfers certain existing provisions relating to CDL tests by the DOT to the new Code section created by the bill for DOT CDL test fees.

The bill takes effect January 1, 2022.

House File 522 - Introduced

HOUSE FILE 522
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HF 287)

A BILL FOR

1 An Act providing that a qualified confinement feeding operation
2 may utilize an anaerobic digester system to treat manure,
3 and making penalties applicable.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2280HV (3) 89
da/ns

H.F. 522

Section 1. Section 459.102, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. *"Anaerobic digester system"* means a manure storage structure that is covered, if the primary function of the manure storage structure is to process manure by employing environmental conditions including bacteria to break down organic matter in the absence of oxygen, and is used for producing, collecting, and utilizing a biogas.

Sec. 2. Section 459.206, subsection 2, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* A qualified confinement feeding operation that processes manure using an anaerobic digester system.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

GENERAL. This bill amends provisions in Code chapter 459, the "Animal Agriculture Compliance Act" (Act) (Code section 459.101) and specifically subchapter II which regulates air quality. The department of natural resources (DNR) regulates confinement feeding operations (operations) including associated structures. The bill provides that a qualified confinement feeding operation (qualified operation) may store and process manure from the qualified operation using an anaerobic digester system (digester). The digester would be an alternative to the current requirement that a qualified operation must utilize a manure storage structure that (1) employs bacterial action, (2) is maintained by the utilization of air or oxygen, and (3) includes aeration equipment (amended Code section 459.206). A digester is a covered manure storage structure having a primary function to process manure by utilizing bacteria to break down organic matter in the absence of oxygen for purposes of producing, collecting, and utilizing a biogas.

SPECIAL TERMS. An operation is a roofed area in which animals used in agricultural production are kept for 45 days or

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more in any 12-month period (Code section 459.102(4) and (14)). A qualified operation refers to an operation meeting a certain animal unit (AU) capacity (AUC) threshold (e.g., for a swine farrow-to-finish operation, 5,400 or more AUs, and for a cattle operation, 8,500 or more AUs) (Code section 459.102(46)). In calculating the AU, a special equivalency factor is assigned for each classification of confined animal (Code section 459.102(6) and (7)). For example, swine weighing more than 55 pounds equal .40 AU each and slaughter or feeder cattle equal 1.00 AU each. A manure storage structure may be a formed or unformed structure which is part of an operation subject to a number of regulations including separation distance requirements (Code sections 459.202 and 459.203), permitting requirements (Code section 459.303), and construction requirements (Code section 459.306 and 459.307).

ENFORCEMENT AND APPLICABLE CIVIL PENALTIES. Compliance with a statutory regulation under the Act includes compliance with a rule adopted by DNR (Code section 459.103). A civil penalty assessed for an air quality violation of the Act (Code section 459.602) cannot exceed $10,000 for each violation (Code section 455B.109).

House File 523 - Introduced

HOUSE FILE 523
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 56)

A BILL FOR

1 An Act designating certain county flood mitigation activities
2 as an essential county purpose.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1565HV (2) 89
md/jh

H.F. 523

Section 1. Section 331.441, subsection 2, paragraph b, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (20) The construction, reconstruction, and improvement of all waterways, and real and personal property, useful for the protection or reclamation of property from floods or high waters, and for the protection of property from the effects of flood waters, including the deepening, widening, alteration, change, diversion, or other improvement of watercourses, the construction of levees, embankments, structures, impounding reservoirs, pumping stations or conduits, and the establishment, improvement, and widening of streets, avenues, boulevards, and alleys across and adjacent to the project, as well as the development and beautification of the banks and other areas adjacent to flood control improvements.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill amends the definition of essential county purpose to include the construction, reconstruction, and improvement of all waterways, and real and personal property, useful for the protection or reclamation of property from floods or high waters, and for the protection of property from the effects of flood waters, including the deepening, widening, alteration, change, diversion, or other improvement of watercourses, the construction of levees, embankments, structures, impounding reservoirs, pumping stations or conduits, and the establishment, improvement, and widening of streets, avenues, boulevards, and alleys across and adjacent to the project, as well as the development and beautification of the banks and other areas adjacent to flood control improvements.

Under Code chapter 331, a county board of supervisors may generally contract indebtedness and approve the issuance of general obligation bonds to carry out an essential county purpose without approval by voters at an election, while the

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1 issuance of general obligation bonds to carry out a general
2 county purpose generally requires approval by voters at
3 election.

House File 524 - Introduced

HOUSE FILE 524
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 118)

A BILL FOR

1 An Act relating to motor vehicle accidents resulting in injury
2 or death, and making penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1269HV (2) 89
th/ns

H.F. 524

Section 1. Section 321.209, subsection 3, Code 2021, is amended to read as follows:

3. Failure to stop and render aid as required under the laws of this state or to otherwise comply with section 321.261 in the event of a motor vehicle accident resulting in the death or personal injury of another.

Sec. 2. Section 321.261, subsection 1, Code 2021, is amended to read as follows:

1. *a.* The driver of any vehicle who knows or has reason to believe that the driver's vehicle was involved in an accident resulting in injury to or death of any person shall immediately stop the vehicle at the scene of the accident or as close as possible and if able, shall then return to and remain at the scene of the accident in accordance with section 321.263. Every such stop shall be made without obstructing traffic more than is necessary.

b. If the driver of a vehicle leaves the scene of an accident resulting in injury to or death of a person without knowledge or reason to believe that the driver's vehicle was involved in the accident, and later discovers that the driver's vehicle may have been involved in an accident that resulted in injury to or death of a person, the driver shall, as soon as reasonably possible, make a good-faith effort to immediately contact emergency services or make a 911 call and provide the dispatcher with any requested information described in section 321.263 and the location and possible time of the accident.

Sec. 3. Section 321.261, subsections 3 and 4, Code 2021, are amended to read as follows:

3. *a.* Notwithstanding subsection 2, any person failing to stop or to comply with the requirements in subsection 1, in the event of an accident resulting in a serious injury to any person, is guilty upon conviction of an aggravated misdemeanor.

b. Notwithstanding paragraph "*a*", any person failing to stop or to comply with the requirements in subsection 1, who causes the accident resulting in a serious injury to any person, is

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guilty upon conviction of a class "D" felony.

c. For purposes of this ~~section~~ subsection, "*serious injury*" means as defined in section 702.18.

4. *a.* A person failing to stop or to comply with the requirements in subsection 1, in the event of an accident resulting in the death of a person, is guilty upon conviction of a class "D" felony.

b. Notwithstanding paragraph "*a*", a person failing to stop or to comply with the requirements in subsection 1, who causes the accident resulting in the death of a person, is guilty upon conviction of a class "C" felony.

Sec. 4. Section 321.261, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 6. Notwithstanding any other provision of law to the contrary, any person who has suffered physical, emotional, or financial harm as the result of a motor vehicle accident from which another person who caused the accident failed to stop or to comply with the requirements of subsection 1, as described in subsection 3, paragraph "*b*", and subsection 4, paragraph "*b*", shall be considered a victim pursuant to chapter 915, subchapter II, for purposes of any related proceedings against the other person.

Sec. 5. Section 321.555, subsection 1, paragraph f, Code 2021, is amended to read as follows:

f. Failure to stop and leave information, ~~or~~ to render aid ~~as required by~~, or to otherwise comply with sections 321.261 and 321.263.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

Under current law, the driver of a vehicle involved in an accident resulting in injury to or death of a person must immediately stop the vehicle at the scene of the accident or as close as possible and if able, must then return to and remain at the scene of the accident. This bill applies the

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provision to a driver who knows or has reason to believe that the driver's vehicle was involved in an accident resulting in injury to or death of a person.

The bill provides that if a driver leaves the scene of an accident resulting in injury to or death of a person without knowledge or reason to believe that the driver's vehicle was involved in the accident, and later discovers that the driver's vehicle may have been involved in an accident that resulted in injury to or death of a person, the driver must, as soon as reasonably possible, make a good-faith effort to immediately contact emergency services or make a 911 call and provide the dispatcher with any requested information described in Code section 321.263 and the location and possible time of the accident. Under Code section 321.263, such information includes the driver's name, address, registration number of the vehicle or other information on the registration receipt, driver's license information, and other identification data.

The bill specifies the difference between accidents caused by a person and accidents involving a person that result in serious injury or death, as it relates to penalties for persons who fail to comply with Code section 321.261(1). The bill also specifies that any person who has suffered physical, emotional, or financial harm as the result of a motor vehicle accident that results in serious injury or death and that was caused by another person who failed to comply with Code section 321.261(1) must be considered a victim for purposes of any related proceedings against the other person.

A person who violates Code section 321.261 relating to an accident resulting in an injury is guilty of a serious misdemeanor. A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $430 but not more than $2,560.

A person who violates Code section 321.261 relating to an accident resulting in a serious injury is guilty of an aggravated misdemeanor. An aggravated misdemeanor is

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1 punishable by confinement for no more than two years and a fine
2 of at least $855 but not more than $8,540.
3 A person who violates Code section 321.261 relating to an
4 accident caused by the person resulting in a serious injury is
5 guilty of a class "D" felony. A class "D" felony is punishable
6 by confinement for no more than five years and a fine of at
7 least $1,025 but not more than $10,245.
8 A person who violates Code section 321.261 relating to an
9 accident resulting in death is guilty of a class "D" felony.
10 A person who violates Code section 321.261 relating to an
11 accident caused by the person resulting in death is guilty
12 of a class "C" felony. A class "C" felony is punishable by
13 confinement for no more than 10 years and a fine of at least
14 $1,370 but not more than $13,660.
15 A violation of Code section 321.261 is subject to mandatory
16 driver's license revocation under Code section 321.209, is
17 considered an offense for purposes of habitual offender status
18 under Code section 321.555, and may result in exclusion from an
19 automobile insurance policy under Code section 515D.4.

House File 525 - Introduced

HOUSE FILE 525
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HF 93)

A BILL FOR

1 An Act relating to the examination, transportation, and
2 embalming of dead bodies.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1116HV (2) 89
js/ns

H.F. 525

Section 1. Section 331.802, subsection 1, Code 2021, is amended to read as follows:

1. A person's death ~~which~~ that affects the public interest as specified in subsection 3 shall be reported to the county medical examiner or the state medical examiner by the physician in attendance, any law enforcement officer having knowledge of the death, the ~~embalmer~~ funeral director, or any other person present. The appropriate medical examiner shall notify the city or state law enforcement agency or sheriff and take charge of the body.

Sec. 2. Section 331.802, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 9. If an autopsy is ordered under this section, the county shall reimburse the funeral director for all costs associated with the transportation of the body to and from the facility performing the autopsy at a rate equivalent to the rate of reimbursement allowed under the standard mileage rate method for computation of business expenses pursuant to the Internal Revenue Code at the time the transportation occurs.

Sec. 3. Section 331.805, subsection 2, Code 2021, is amended to read as follows:

2. It is unlawful to embalm a body when the ~~embalmer~~ funeral director has reason to believe death occurred in a manner specified in section 331.802, subsection 3, when there is evidence sufficient to arouse suspicion of a crime in connection with the cause of death of the deceased, or where it is the duty of a medical examiner to view the body and investigate the death of the deceased person, until the permission of a county medical examiner has been obtained. When feasible, the body shall be released to the funeral director for embalming within twenty-four hours of death.

Sec. 4. IMPLEMENTATION OF ACT. Section 25B.2, subsection 3, shall not apply to this Act.

EXPLANATION

H.F. 525

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the examination, transportation, and embalming of dead bodies. The bill requires a funeral director, as opposed to an embalmer as currently required, to report to the county or state medical examiner a person's death that affects the public interest. The bill prohibits the embalming of a body prior to receiving consent from the county medical examiner if the funeral director, as opposed to an embalmer, has reason to believe the death affects the public interest, when there is sufficient evidence to arouse suspicion of a crime related to the cause of death, or when the medical examiner has a duty to view the body and investigate the death.

When an autopsy is ordered under Code section 331.802 due to a death affecting the public interest, the bill requires a county to reimburse a funeral director for all costs associated with transporting the body to and from the facility performing the autopsy at a rate equivalent to the rate of reimbursement allowed under the standard mileage rate method for computation of business expenses pursuant to the Internal Revenue Code at the time the transportation occurs.

The bill may include a state mandate as defined in Code section 25B.3. The bill makes inapplicable Code section 25B.2, subsection 3, which would relieve a political subdivision from complying with a state mandate if funding for the cost of the state mandate is not provided or specified. Therefore, political subdivisions are required to comply with any state mandate included in the bill.

House File 526 - Introduced

HOUSE FILE 526
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 46)

A BILL FOR

1 An Act relating to price transparency and cost-sharing for
2 prescription drugs, and including applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1115HV (3) 89
ko/rn

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Section 1. NEW SECTION. **510D.1 Definitions.**

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

1. *"Commissioner"* means the commissioner of insurance.

2. *"Dispenser"* means the same as defined in 21 U.S.C. §360eee(3).

3. *"Established name"* means the same as defined in 21 C.F.R. 299.4.

4. *"Health benefit plan"* means the same as defined in 514J.102.

5. *"Pharmaceutical drug manufacturer"* or *"manufacturer"* means any person engaged in the business of producing, preparing, converting, processing, packaging, labeling, or distributing a prescription drug. *"Pharmaceutical drug manufacturer"* or *"manufacturer"* does not include a wholesale distributor or a dispenser.

6. *"Prescription drug"* means the same as defined in 21 U.S.C. §360eee(12).

7. *"Wholesale acquisition cost"* or *"cost"* means a manufacturer's list price for a prescription drug for wholesalers or direct purchasers in the United States, not including prompt pay or other discounts, rebates, or reductions in price, for the most recent month for which the information is available, as reported in wholesale price guides or other publications of drug or biological pricing data.

8. *"Wholesale distributor"* means the same as defined in 21 U.S.C. §360eee(29).

Sec. 2. NEW SECTION. **510D.2 Pharmaceutical drug manufacturers — annual report.**

Each manufacturer shall provide an annual report by February 15 to the commissioner, in a format prescribed by the commissioner, that contains the current wholesale acquisition cost for each prescription drug manufactured by the manufacturer that was sold to a person in this state in the immediately preceding calendar year. Within thirty calendar

days of receipt, the commissioner shall publish the information received by the commissioner on a publicly accessible internet site.

Sec. 3. NEW SECTION. **510D.3 Wholesale acquisition cost increase — report.**

1. If a prescription drug sold to a person in this state has a wholesale acquisition cost of one hundred dollars or more for a thirty-day supply and the cost increases forty percent or more over the three preceding consecutive calendar years, or increases fifteen percent or more in the preceding calendar year, the manufacturer of the prescription drug shall file a report with the commissioner within thirty calendar days of the date on which the forty percent or the fifteen percent increase in the cost occurs. The report shall be in the form and manner prescribed by the commissioner and shall include all of the following information:

a. The established name of the prescription drug.

b. All brand names, generic names, proprietary names, and nonproprietary names for the prescription drug, as applicable.

c. The aggregate manufacturer-level research and development costs related to the prescription drug for the most recent calendar year for which third-party independent audit data for manufacturer-level research and development costs is available.

d. All established names, brand names, generic names, proprietary names, and nonproprietary names for each prescription drug manufactured by the manufacturer that received approval from the United States food and drug administration in the immediately preceding three consecutive calendar years.

e. All established names, brand names, generic names, proprietary names, and nonproprietary names for each prescription drug manufactured by the manufacturer for which a patent or exclusivity expired in the immediately preceding three consecutive calendar years.

f. A statement detailing the factor or factors that played

any role in the increase in cost of the prescription drug and an explanation for the factor or factors' impact on the increase in cost of the prescription drug.

g. The aggregate manufacturer-level direct and administrative costs related to marketing and advertising of the prescription drug for the immediately preceding calendar year.

2. All information and data a manufacturer submits to the commissioner must be consistent in detail and quality with the information and data submitted in the manufacturer's annual report filed with the United States securities and exchange commission on form 10-k.

3. *a.* Information provided by a pharmaceutical drug manufacturer to the commissioner pursuant to this section that may reveal any of the following as related to a specific prescription drug or class of prescription drugs shall be considered a confidential record, and be recognized and protected as a trade secret pursuant to section 22.7, subsection 3:

(1) The amount the manufacturer charges a specific health carrier, specific pharmacy benefit manager, or a specific dispenser.

(2) The dollar value of the rebates the manufacturer provides a specific health carrier, specific pharmacy benefit manager, or a specific dispenser.

(3) The identity of a specific health carrier, specific pharmacy benefit manager, or a specific dispenser.

b. Within sixty calendar days of receipt of the information pursuant to this section, the commissioner shall publish all nonconfidential information received by the commissioner on the same publicly accessible internet site referenced in section 510D.2.

Sec. 4. NEW SECTION. **510D.4 Rules.**

The commissioner shall adopt rules pursuant to chapter 17A as necessary to administer this chapter.

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1 Sec. 5. NEW SECTION. **510D.5 Summary enforcement.**
2 1. Upon a determination by the commissioner that a
3 manufacturer or manufacturer's agent has engaged, is engaging,
4 or is about to engage in any act or practice in violation of
5 this chapter, a rule adopted by the commissioner, or an order
6 issued by the commissioner under this chapter, the commissioner
7 may do any of the following:
8 *a.* Issue a summary order, including a brief statement
9 of findings of fact and conclusions of law, and direct the
10 manufacturer or manufacturer's agent to cease and desist from
11 engaging in the act or practice.
12 *b.* Take other affirmative action that in the judgment of
13 the commissioner is necessary to ensure that the manufacturer
14 or manufacturer's agent comply with this chapter, and rules
15 adopted and orders issued by the commissioner under this
16 chapter.
17 2. *a.* A manufacturer or manufacturer's agent that has
18 been issued a summary order under this section may contest
19 the order by filing a request for a contested case proceeding
20 and hearing as provided in chapter 17A, and in accordance
21 with rules adopted by the commissioner. The manufacturer or
22 manufacturer's agent shall have at least thirty calendar days
23 from the date that the summary order is issued to file the
24 request. If a hearing is not timely requested, the summary
25 order shall be final by operation of law.
26 *b.* Section 17A.18A shall not apply to a summary order issued
27 under this section.
28 *c.* A summary order issued pursuant to this section shall
29 remain effective from the date of issuance unless overturned by
30 a final decision of a presiding officer or by a final judgment
31 of the court.
32 3. A manufacturer or manufacturer's agent violating
33 a summary order issued under this section shall be deemed
34 in contempt of that order. The commissioner may petition
35 the district court to enforce the order as certified by

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the commissioner. The district court shall adjudge the manufacturer or manufacturer's agent in contempt of the order if the court finds after hearing that the manufacturer or manufacturer's agent is not in compliance with the order. The court may assess a civil penalty against the manufacturer or manufacturer's agent of not more than one thousand dollars per day for each day that the manufacturer or manufacturer's agent is in violation of the order. A civil penalty collected pursuant to this section shall be deposited as provided in section 505.7. The court may issue further orders as the court deems appropriate.

Sec. 6. NEW SECTION. **510D.6 Enforcement after hearing.**

1. If, after a hearing and contested case proceeding pursuant to section 510D.5, subsection 2, the commissioner determines that a manufacturer or a manufacturer's agent violated this chapter, a rule adopted by the commissioner, or an order issued by the commissioner under this chapter, the commissioner shall reduce the findings to writing and shall issue and cause to be served upon the manufacturer or the manufacturer's agent all of the following:

a. A copy of the commissioner's findings.

b. An order requiring the manufacturer or the manufacturer's agent to cease and desist from violating this chapter, a rule adopted by the commissioner, or an order issued by the commissioner under this chapter.

2. The commissioner may take other affirmative action that in the judgment of the commissioner is necessary to ensure that the manufacturer or the manufacturer's agent complies with this chapter. The commissioner may also, at the commissioner's discretion, order payment of a civil penalty of not more than five thousand dollars for each violation of this chapter by the manufacturer or the manufacturer's agent.

3. A manufacturer or a manufacturer's agent that violates an order of the commissioner, and while such order is in effect, may, after notice and hearing and upon order of the

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1 commissioner, be subject to a civil penalty of not more than
2 ten thousand dollars for each violation of the commissioner's
3 order. A manufacturer or a manufacturer's agent violating an
4 order issued by the commissioner under this section shall be
5 deemed in contempt of the order. A civil penalty collected
6 pursuant to this subsection shall be deposited as provided in
7 section 505.7.
8 4. A manufacturer or a manufacturer's agent may seek
9 judicial review of an action of the commissioner pursuant to
10 chapter 17A. To the extent that a decision or order of the
11 commissioner is affirmed in a judicial review proceeding, the
12 court shall issue an order directing that the manufacturer
13 or the manufacturer's agent complies with the terms of the
14 commissioner's decision or order.
15 5. If the period for judicial review of an order of the
16 commissioner has expired and no petition for judicial review
17 has been filed, upon request of the commissioner, the attorney
18 general shall proceed in the district court to enforce the
19 order of the commissioner. The court shall issue an order
20 directing that the manufacturer or the manufacturer's agent
21 comply with the terms of the commission's order.
22 6. Upon request of the commissioner, the attorney general
23 shall petition the district court to enforce an order as
24 certified by the commissioner. The district court shall
25 adjudge a manufacturer or a manufacturer's agent in contempt
26 of the commissioner's order if the court finds after hearing
27 that the manufacturer or the manufacturer's agent is not in
28 compliance with the commissioner's order. For each day of
29 noncompliance, the court may order a civil penalty of not more
30 than one thousand dollars against the manufacturer or the
31 manufacturer's agent and may issue further orders as the court
32 deems appropriate.
33 Sec. 7. NEW SECTION. **510E.1 Definitions.**
34 As used in this chapter unless the context otherwise
35 requires:

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1. *"Commissioner"* means the commissioner of insurance.
2. *"Covered person"* means the same as defined in section 514J.102.
3. *"Dispenser"* means the same as defined in 21 U.S.C. §360eee(3).
4. *"Health benefit plan"* means the same as defined in section 514J.102.
5. *"Health care professional"* means the same as defined in section 514J.102.
6. *"Health carrier"* means the same as defined in section 514J.102.
7. *"Pharmaceutical drug manufacturer"* or *"manufacturer"* means any person engaged in the business of producing, preparing, converting, processing, packaging, labeling, or distributing a prescription drug. *"Pharmaceutical drug manufacturer"* or *"manufacturer"* does not include a wholesale distributor or a dispenser.
8. *"Prescription drug"* means the same as defined in 21 U.S.C. §360eee(12).
9. *"Prescription drug benefit"* means a health benefit plan providing for third-party payment or prepayment of prescription drugs.
10. *"Specialty drug"* means a prescription drug that a health carrier has designated as a specialty drug and that has either of the following characteristics:
a. The United States food and drug administration has designated the prescription drug an orphan drug.
b. The manufacturer of the prescription drug, or the United States food and drug administration, restricts distribution of the prescription drug to a limited number of distributors.
11. *"Utilization review"* means the same as defined in section 514F.7.
12. *"Utilization review organization"* means the same as defined in section 514F.7.
Sec. 8. NEW SECTION. **510E.2 Health carriers — annual**

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report.

1. *a.* Each health carrier shall submit an annual report by February 15 to the commissioner, in the form and manner prescribed by the commissioner, that contains the following information for the immediately preceding calendar year, across all of the health carrier's health benefit plans that offer a prescription drug benefit:

(1) The brand name of the twenty-five prescription drugs most frequently covered by the prescription drug benefits offered by the health carrier.

(2) The percent increase in annual spending by the health carrier to provide all prescription drug benefits offered by the health carrier.

(3) The percent increase in premiums paid by covered persons attributable to all prescription drug benefits offered by the health carrier.

(4) The percentage of specialty drugs included in all prescription drug benefits offered by the health carrier that are subject to utilization review conducted by a utilization review organization.

(5) The percent decrease in premiums paid by covered persons attributable to specialty drugs that are subject to utilization review conducted by a utilization review organization that are included in all prescription drug benefits offered by the health carrier.

b. An authorized insurer or an authorized third-party administrator that administers a multiple employer welfare arrangement pursuant to section 507A.4, subsection 9, paragraph *"a"*, subparagraph (1), shall submit the report required in paragraph *"a"* on behalf of the multiple employer welfare arrangement that the authorized insurer or the authorized third-party administrator administers.

2. Any information a health carrier provides, or an authorized insurer or an authorized third-party administrator provides on behalf of a multiple employer welfare arrangement,

to the commissioner pursuant to subsection 1 that may reveal any of the following shall be considered a confidential record, and be recognized and protected as a trade secret pursuant to section 22.7, subsection 3:

a. The identity of a specific health benefit plan.

b. The identity of the specific price charged by a specific manufacturer, pharmacy benefit manager, or dispenser for a specific prescription drug or class of prescription drugs.

c. The dollar value of the rebates a specific manufacturer, a specific pharmacy benefit manager, or a specific dispenser provides to the health carrier.

3. Prior to May 1 of each calendar year, the commissioner shall publish the nonconfidential data received by the commissioner pursuant to this section on the same publicly accessible internet site referenced in section 510D.2. The data shall be aggregated from all annual reports submitted pursuant to subsection 1, and the information shall be made available to the public in a format that complies with subsection 2.

Sec. 9. NEW SECTION. **510E.3 Rules.**

The commissioner shall adopt rules pursuant to chapter 17A as necessary to administer this chapter.

Sec. 10. NEW SECTION. **510E.4 Summary enforcement.**

1. Upon a determination by the commissioner that a health carrier or a health carrier's agent has engaged, is engaging, or is about to engage in any act or practice in violation of this chapter, a rule adopted by the commissioner, or an order issued by the commissioner under this chapter, the commissioner may do any of the following:

a. Issue a summary order, including a brief statement of findings of fact and conclusions of law, and direct the health carrier or health carrier's agent to cease and desist from engaging in the act or practice.

b. Take other affirmative action that in the judgment of the commissioner is necessary to ensure that the health

carrier or health carrier's agent comply with this chapter, and rules adopted and orders issued by the commissioner under this chapter.

2. *a.* A health carrier or health carrier's agent that has been issued a summary order under this section may contest the order by filing a request for a contested case proceeding and hearing as provided in chapter 17A, and in accordance with rules adopted by the commissioner. The health carrier or health carrier's agent shall have at least thirty calendar days from the date that the summary order is issued to file the request. If a hearing is not timely requested, the summary order shall be final by operation of law.

b. Section 17A.18A shall not apply to a summary order issued under this section.

c. A summary order issued pursuant to this section shall remain effective from the date of issuance unless overturned by a final decision of a presiding officer or by a final judgment of the court.

3. A health carrier or health carrier's agent violating a summary order issued under this section shall be deemed in contempt of that order. The commissioner may petition the district court to enforce the order as certified by the commissioner. The district court shall adjudge the health carrier or health carrier's agent in contempt of the order if the court finds after hearing that the health carrier or health carrier's agent is not in compliance with the order. The court may assess a civil penalty against the health carrier or health carrier's agent of not more than one thousand dollars per day for each day that the health carrier or health carrier's agent is in violation of the order. A civil penalty collected pursuant to this section shall be deposited as provided in section 505.7. The court may issue further orders as the court deems appropriate.

Sec. 11. NEW SECTION. **510E.5 Enforcement after hearing.**

1. If, after a hearing and contested case proceeding

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pursuant to section 510E.4, subsection 2, the commissioner determines that a health carrier or a health carrier's agent violated this chapter, a rule adopted by the commissioner, or an order issued by the commissioner under this chapter, the commissioner shall reduce the findings to writing and shall issue and cause to be served upon the health carrier or the health carrier's agent all of the following:

a. A copy of the commissioner's findings.

b. An order requiring the health carrier or the health carrier's agent to cease and desist from violating this chapter, a rule adopted by the commissioner, or an order issued by the commissioner under this chapter.

2. The commissioner may take other affirmative action that in the judgment of the commissioner is necessary to ensure that a health carrier or a health carrier's agent complies with this chapter. The commissioner may also, at the commissioner's discretion, order payment of a civil penalty of not more than five thousand dollars for each violation of this chapter by a health carrier or a health carrier's agent.

3. A health carrier or a health carrier's agent that violates an order of the commissioner, and while such order is in effect, may, after notice and hearing and upon order of the commissioner, be subject to a civil penalty of not more than ten thousand dollars for each violation of the commissioner's order. A health carrier or a health carrier's agent that violates an order issued by the commissioner under this section shall be deemed in contempt of the order. A civil penalty collected pursuant to this subsection shall be deposited as provided in section 505.7.

4. A health carrier or a health carrier's agent may seek judicial review of an action of the commissioner pursuant to chapter 17A. To the extent that a decision or order of the commissioner is affirmed in a judicial review proceeding, the court shall issue an order directing that the health carrier or the health carrier's agent comply with the terms of the

1 commissioner's decision or order.
2 5. If the period for judicial review of an order of the
3 commissioner has expired and no petition for judicial review
4 has been filed, upon request of the commissioner, the attorney
5 general shall proceed in the district court to enforce the
6 order of the commissioner. The court shall issue an order
7 directing that the health carrier or the health carrier's agent
8 comply with the terms of the commission's order.
9 6. Upon request of the commissioner, the attorney general
10 shall petition the district court to enforce an order as
11 certified by the commissioner. The district court shall
12 adjudge a health carrier or a health carrier's agent in
13 contempt of the commissioner's order if the court finds after
14 hearing that the health carrier or the health carrier's agent
15 is not in compliance with the commissioner's order. For each
16 day of noncompliance, the court may order a civil penalty of
17 not more than one thousand dollars against a health carrier or
18 a health carrier's agent and may issue further orders as the
19 court deems appropriate.
20 Sec. 12. NEW SECTION. **514M.1 Definitions.**
21 1. *"Carrier"* means an entity subject to the insurance laws
22 and regulations of this state, or subject to the jurisdiction
23 of the commissioner, that offers at least one health plan in
24 this state.
25 2. *"Cost-sharing requirement"* means any copayment,
26 coinsurance, deductible, or other out-of-pocket expense
27 obligation required of or on behalf of an enrollee in order
28 for the enrollee to receive a specific health care service,
29 including a prescription drug, covered by the enrollee's health
30 plan.
31 3. *"Enrollee"* means an individual who is eligible to obtain
32 health care services under a health plan.
33 4. *"Health care services"* means an item or service for the
34 prevention, treatment, cure, or healing of an illness, injury,
35 or physical disability.

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5. *"Health plan"* means a policy, contract, certificate, or agreement offered or issued by a carrier to provide, deliver, arrange for, pay for, or reimburse any of the costs of health care services.

6. *"Interchangeable biological product"* means the same as defined in section 155A.3.

7. *"Internal Revenue Code"* means the Internal Revenue Code as defined in section 422.3.

8. *"Person"* means a natural person, corporation, mutual company, unincorporated association, partnership, joint venture, limited liability corporation, trust, estate, foundation, not-for-profit organization, government or governmental subdivision, or government or governmental agency.

9. *"Specialty drug"* means the same as defined in section 510E.1.

Sec. 13. NEW SECTION. **514M.2 Cost-sharing calculation.**

1. A carrier shall include all cost-sharing amounts paid by an enrollee, or need-based payments paid by another person on behalf of the enrollee, as part of the carrier's calculation of an enrollee's contribution to the enrollee's applicable cost-sharing requirement. This requirement does not apply to cost-sharing amounts paid by an enrollee, or by another person on behalf of an enrollee, for a specialty drug or a prescription drug for which a medically appropriate A-rated generic equivalent or an interchangeable biological product is available to the enrollee.

2. Subsection 1 shall not apply to a state-regulated high-deductible health plan to the extent it results in the plan's failure to qualify as a high-deductible health plan pursuant to section 223 of the Internal Revenue Code.

3. If a provision of subsection 1 conflicts with a federal law or regulation as applied to a specific carrier or to a specific circumstance, the provision shall remain in full force and effect for all carriers and in all circumstances in which the federal conflict does not exist.

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Sec. 14. NEW SECTION. **514M.3 Applicability.**

This chapter applies to all health plans delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2022.

Sec. 15. RETROACTIVE APPLICABILITY.

1. The section of this Act that requires a pharmaceutical drug manufacturer to submit an annual report to the commissioner containing the current wholesale acquisition cost for each of the manufacturer's prescription drugs is applicable to all manufacturers that manufactured any prescription drug that is sold to a person in this state on or after January 1, 2021.

2. The section of this Act that requires a pharmaceutical drug manufacturer to submit a report to the commissioner containing information related to an increase in the wholesale acquisition cost of a prescription drug manufactured by the manufacturer is applicable to all manufacturers that manufactured any prescription drug that is sold to a person in this state on or after January 1, 2021.

3. The section of this Act that requires a health carrier to submit an annual report to the commissioner related to all of the health carrier's health benefit plans that offer a prescription drug benefit is applicable to all health benefit plans providing for third-party payment or prepayment of health or medical expenses that provide a prescription drug benefit that have been delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2021.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to price transparency and cost-sharing for prescription drugs.

The bill requires a manufacturer to file an annual report with the commissioner of insurance (commissioner) that discloses the wholesale acquisition cost for all prescription

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1 drugs manufactured by the manufacturer that were sold to a
2 person in this state in the immediately preceding calendar
3 year. "Wholesale acquisition cost" or "cost" is defined in the
4 bill as the manufacturer's list price for a prescription drug
5 for wholesalers or direct purchasers in the United States, not
6 including prompt pay or other discounts, rebates, or reductions
7 in price, for the most recent month for which the information
8 is available, as reported in wholesale price guides or other
9 publications of drug or biological pricing data. Within 30
10 calendar days of receipt, the commissioner is required to
11 publish the information from the annual reports on a publicly
12 accessible internet site.
13 If a prescription drug sold to a person in this state
14 has a cost of $100 or more for a 30-day supply and the cost
15 increases 40 percent or more over the three preceding calendar
16 years, or increases 15 percent or more in the preceding
17 calendar year, the manufacturer of the prescription drug must
18 file a report with the commissioner within 30 calendar days
19 of the date on which the 40 or 15 percent increase in cost
20 occurs. This requirement is applicable to all manufacturers
21 that manufactured prescription drugs that are sold to a
22 person in this state on or after January 1, 2021. The report
23 must include the information detailed in the bill. Certain
24 information provided by a manufacturer, as detailed in the
25 bill, is considered a confidential record and is required
26 to be protected as a trade secret. Within 60 calendar days
27 of receipt, the commissioner is required to publish the
28 nonconfidential information on the same publicly accessible
29 internet site on which the manufacturer's annual report
30 information is published.
31 The bill requires each health carrier to submit an annual
32 report by February 15 to the commissioner that contains
33 information as detailed in the bill across all of the health
34 carrier's health benefit plans. An authorized insurer or
35 an authorized third-party administrator that administers a

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multiple employer welfare arrangement must submit the required report on behalf of the multiple employer welfare arrangement that the insurer or the third-party administrator administers. This requirement is applicable to all health benefit plans providing for third-party payment or prepayment of health or medical expenses that provide a prescription drug benefit that have been delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2021. "Health carrier" is defined in the bill as an entity subject to the insurance laws and regulations of this state, or subject to the jurisdiction of the commissioner, including an insurance company offering sickness and accident plans, a health maintenance organization, a nonprofit health service corporation, a plan established pursuant to Code chapter 509A for public employees, or any other entity providing a plan of health insurance, health care benefits, or health care services. As detailed in the bill, certain information provided by a health carrier, or an authorized insurer or an authorized third-party administrator on behalf of a multiple employer welfare arrangement, is considered a confidential record and must be protected as a trade secret. Prior to May 1 of each year, the commissioner must publish the nonconfidential data received by the commissioner on the same publicly accessible internet site on which the manufacturers' information is published. The data must be aggregated from the annual reports submitted by all health carriers.

The bill directs the commissioner to adopt rules as necessary to administer the requirements outlined in the bill. The bill details the commissioner's authority, and the process to enforce that authority, for manufacturers', manufacturers' agents', health carriers' or health carriers' agents' violations of a provision of the bill, a rule adopted by the commissioner, or of an order issued by the commissioner.

The bill also allows the commissioner, or the court, to order payment of penalties for certain violations as outlined

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in the bill. Manufacturers, manufacturer's agents, health carriers, and health carrier's agents may request a contested case proceeding, or seek judicial review of an action of the commissioner, in certain circumstances as detailed in the bill.

The bill also requires a carrier to include all cost-sharing amounts paid by an enrollee of a health plan, or by another person on behalf of an enrollee, as part of the carrier's calculation of an enrollee's contribution to the enrollee's applicable cost-sharing requirement. This does not apply to cost-sharing incurred for a specialty drug or a prescription drug for which an A-rated generic equivalent or an interchangeable biological product is available. "Cost-sharing requirement" is defined in the bill as any copayment, coinsurance, deductible, or other out-of-pocket expense obligation required of or on behalf of an enrollee in order for the enrollee to receive a specific health care service, including a prescription drug, covered by the enrollee's health plan. This requirement applies to all health plans delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2022. The bill excludes state-regulated high-deductible health plans (HDHP) from the requirement if it will result in the plan not qualifying as an HDHP under section 223 of the Internal Revenue Code. The bill also prohibits application of the requirement to a carrier or to a circumstance in a manner that will conflict with a federal law or a federal regulation.

House File 527 - Introduced

HOUSE FILE 527
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HSB 96)

A BILL FOR

1 An Act relating to the authority of county boards of
2 supervisors to amend an agreement between the counties to
3 implement the county land record information system.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1307HV (3) 89
js/ns

H.F. 527

Section 1. Section 331.604, subsection 3, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *f.* The county land record information system agreement may be amended by a vote of the boards of supervisors on behalf of the respective county recorders, pursuant to the terms of the agreement, to provide for the ongoing implementation of the county land record information system. As used in this paragraph, *"county land record information system agreement"* means the agreement entered under chapter 28E between the counties as required by 2005 Iowa Acts, ch. 179, §101, as amended by this Act.

Sec. 2. 2005 Iowa Acts, chapter 179, section 101, subsection 1, is amended to read as follows:

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~~ other counties 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.~~

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the authority of the county boards of supervisors to amend the county land record information system agreement. Current law requires each county to enter into an agreement under Code chapter 28E with the Iowa county recorders association in order to implement the county land record information system. The bill grants the county boards

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of supervisors, on behalf of the respective county recorders, the authority to amend the county land record information system agreement as necessary to provide for the ongoing implementation of the county land record information system. The bill amends 2005 Iowa Acts, chapter 179, section 101, subsection 1, to remove the Iowa county recorders association as a party to the required agreement. The bill defines the term "county land record information system agreement".

House File 528 - Introduced

HOUSE FILE 528
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 71)

A BILL FOR

1 An Act relating to the authority of a dentist relating to the
2 prescribing and administration of certain immunizations and
3 vaccines.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1294HV (1) 89
pf/rh

H.F. 528

Section 1. Section 153.20, Code 2021, is amended to read as follows:

153.20 Drugs, medicine, ~~and~~ surgery, and vaccines and immunizations.

1. A dentist shall have the right to prescribe and administer drugs or medicine, perform such surgical operations, administer general or local anesthetics and use such appliances as may be necessary to the proper practice of dentistry.

2. *a.* A dentist may prescribe and administer a vaccine or immunization for influenza or SARS-CoV-2 to patients as recommended by the United States centers for disease control and prevention. A dentist shall not delegate the administration of a vaccine or immunization as authorized under this subsection to a dental hygienist or dental assistant.

b. Prior to the prescribing and administration of a vaccination or immunization as authorized under this subsection, a dentist shall comply with all of the following:

(1) Successfully complete a minimum of four hours of training pertaining to the prescribing and administration of vaccines or immunizations.

(2) Consult and review the statewide immunization registry or Iowa health information network.

c. A dentist shall report the administration of a vaccine or immunization under this subsection to the statewide immunization registry or Iowa health information network.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill authorizes a dentist to prescribe and administer a vaccine or immunization for influenza or SARS-CoV-2 to patients as recommended by the United States centers for disease control and prevention. The bill prohibits a dentist from delegating the authority to administer these vaccines or immunizations to a dental hygienist or dental assistant. Prior to the prescribing and administration of a vaccination or immunization

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as authorized under the bill, a dentist must successfully complete a minimum of four hours of training pertaining to the prescribing and administration of vaccines or immunizations and consult and review the statewide immunization registry or Iowa health information network. A dentist shall also report the administration of a vaccine or immunization under the bill to the statewide immunization registry or Iowa health information network.

House File 529 - Introduced

HOUSE FILE 529
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 125)

A BILL FOR

1 An Act relating to approval of executive branch employee travel
2 claims.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1458HV (2) 89
ss/rn

H.F. 529

Section 1. Section 8A.512A, subsection 2, paragraph a, Code 2021, is amended to read as follows:

a. The electronic travel authorization form is approved by the head of the employee's department or by the designee of the head of the employee's department.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill concerns approval of a claim for reimbursement for executive branch employee travel. The bill authorizes a designee of the head of an executive branch department to approve an electronic travel authorization request form. Current law only allows the head of the department to approve the request.

House File 530 - Introduced

HOUSE FILE 530
BY MASCHER

(COMPANION TO SF 280 BY
QUIRMBACH)

A BILL FOR

1 An Act relating to the elimination of the exemption of gaming
2 floors from the prohibitions of the smokefree air Act.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 3506YH (2) 89
pf/rh

H.F. 530

Section 1. Section 142D.4, subsection 10, Code 2021, is amended by striking the subsection.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill eliminates the exception under the smokefree air Act (Code chapter 142D), allowing smoking on the gaming floors of the premises licensed pursuant to Code chapter 99F (gambling structures, excursion gambling boats, and racetracks). The bill thereby subjects the entirety of these premises to the smoking prohibitions of the Act.

House File 531 - Introduced

HOUSE FILE 531
BY CISNEROS

(COMPANION TO SF 194 BY EDLER)

A BILL FOR

1 An Act relating to motor vehicle window tint, including an
2 application process for approved window tint status, making
3 appropriations, providing penalties, and making penalties
4 applicable.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1967YH (2) 89
th/ns

H.F. 531

Section 1. Section 321.145, subsection 2, unnumbered paragraph 1, Code 2021, is amended to read as follows:

Revenues derived from trailer registration fees collected pursuant to sections 321.105 and 321.105A, fees charged for driver's licenses and nonoperator's identification cards, fees charged for the issuance of a certificate of title, the certificate of title surcharge collected pursuant to section 321.52A, ~~and~~ revenues credited pursuant to section 423.43, subsection 2, and section 423C.5, and fees charged for approved window tint status pursuant to section 321.438, shall be deposited in a fund to be known as the statutory allocations fund under the control of the department and credited as follows:

Sec. 2. Section 321.145, subsection 2, paragraph a, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (4) An amount equal to the fees received pursuant to section 321.438 shall be credited to the department of public safety for use by the division of state patrol for purposes of training and equipment.

Sec. 3. Section 321.152, subsection 1, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *h.* Two dollars and fifty cents plus seventy percent of the remaining amount from each application fee collected for approved window tint status.

Sec. 4. Section 321.438, subsection 2, Code 2021, is amended to read as follows:

2. *a.* A person shall not operate on the highway a motor vehicle equipped with a front windshield, a side window to the immediate right or left of the driver, or a ~~side-wing~~ sidewing forward of and to the left or right of the driver which is excessively dark or reflective so that it is difficult for a person outside the motor vehicle to see into the motor vehicle through the windshield, window, or sidewing. The department shall adopt rules establishing a minimum measurable standard of transparency which shall apply to violations of this

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subsection.

b. (1) The registered owner of a vehicle may file an application for approved window tint status for the vehicle with the department through the county treasurer of the county where the vehicle is registered. The application shall be accompanied by a fee of fifty-five dollars. A person may apply for approved window tint status for each vehicle on which the person is a registered owner, but shall pay the fee for each vehicle for which the person applies. Upon receipt of a valid application accompanied by the required fee, the county treasurer shall note the approved window tint status of the vehicle in the electronic database used by the department and law enforcement to access registration, titling, and driver's license information.

(2) Notwithstanding paragraph "*a*", a person may operate a vehicle with approved window tint status that is equipped with a front windshield, a side window to the immediate right or left of the driver, or a sidewing forward of and to the left or right of the driver with a transparency of thirty-five percent light transmittance or greater.

(3) The county treasurer shall retain for deposit in the county general fund two dollars and fifty cents from every application fee for approved window tint status. The remaining portion of fees shall be distributed in the following manner:

(a) Seventy percent shall be retained by the county and used for purposes of local law enforcement training and equipment.

(b) Thirty percent shall be transferred to the treasurer of state and deposited in the statutory allocations fund created under section 321.145.

(4) The department shall adopt rules in accordance with chapter 17A to administer this paragraph.

c. If a peace officer stops a motor vehicle equipped with a side window to the immediate right or left of the driver which has a transparency of seventy percent light transmittance or less, the driver shall lower the side window on the side of the

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officer's approach of the vehicle to the side window's lowest possible position prior to the completion of the officer's approach of the vehicle, and shall keep the side window in the lowest possible position for the duration of the stop unless otherwise instructed by the officer. A person convicted of a violation of this paragraph is guilty of a simple misdemeanor punishable as a scheduled violation under section 805.8A, subsection 14, paragraph *"q"*. However, if the violation is a person's first violation of this paragraph, and the person has not previously been issued a warning memorandum for a violation of this paragraph, the officer shall issue a warning memorandum to the driver in lieu of a citation.

Sec. 5. Section 805.8A, subsection 3, paragraph ah, Code 2021, is amended to read as follows:

ah. Section 321.438, subsection 1, subsection 2, paragraph *"a"* or *"b"*, and subsection 3..... $ 70.

Sec. 6. Section 805.8A, subsection 14, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *q. Failure to lower tinted side window.* For violations under section 321.438, subsection 2, paragraph *"c"*, the scheduled fine is twenty dollars.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

Under current law, a person is prohibited from operating a motor vehicle equipped with a front windshield, a side window to the immediate right or left of the driver, or a sidewing forward of and to the left or right of the driver which is excessively dark or reflective so that it is difficult for a person outside the motor vehicle to see into the motor vehicle through the windshield, window, or sidewing. Under rules adopted by the department of transportation (761 IAC 450.7), "excessively dark or reflective" means the windshield, side window, or sidewing does not meet a minimum standard of transparency of 70 percent light transmittance.

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This bill allows a registered owner of a vehicle to apply for approved window tint status, which permits the vehicle to be operated while equipped with a front windshield, a side window to the immediate right or left of the driver, or a sidewing forward of and to the left or right of the driver that meets a minimum standard of transparency of 35 percent light transmittance or greater.

Applications for approved window tint status must be filed with the department of transportation (DOT) through the county treasurer of the county where the vehicle is registered. Upon receipt of a valid application and fee, the county treasurer must note the approved window tint status of the vehicle in the electronic database used by the DOT and law enforcement to access certain vehicle and driver information.

The application fee is $55 per vehicle. Of each fee, $2.50 plus 70 percent of the remaining fee is retained by the county treasurer for deposit in the county general fund, which percentage must be used by the county for purposes of local law enforcement training and equipment. The remaining 30 percent of the fee must be transferred to the treasurer of state and deposited in the statutory allocations fund. The treasurer of state is required to transfer the amount of the collected fees each month from the statutory allocations fund to the department of public safety for purposes of state patrol training and equipment.

The bill also provides that if a peace officer stops a motor vehicle equipped with a side window to the immediate right or left of the driver which has a transparency of 70 percent light transmittance or less, the driver must lower the side window on the side of the officer's approach of the vehicle to the side window's lowest possible position prior to the completion of the officer's approach of the vehicle, and must keep the side window in the lowest possible position for the duration of the stop unless otherwise instructed by the officer. A violation of this provision of the bill is punishable by a

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1 scheduled fine of $20. However, if the violation is a person's
2 first violation, and the person has not previously been issued
3 a warning memorandum for a similar violation, the officer is
4 required to issue a warning memorandum to the driver in lieu
5 of a citation.
6 An equipment-related violation of Code section 321.438 is
7 punishable by a scheduled fine of $70.

House File 532 - Introduced

HOUSE FILE 532
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 439)
(SUCCESSOR TO HSB 184)

A BILL FOR

1 An Act establishing a qualified instruction funding supplement
2 for the school budget year beginning July 1, 2020, making
3 appropriations, and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2434HZ (1) 89
md/jh

H.F. 532

Section 1. QUALIFIED INSTRUCTION FUNDING SUPPLEMENT FOR FY 2020-2021 — APPROPRIATION.

1. a. For the school budget year beginning July 1, 2020, and ending June 30, 2021, each public school district shall receive a qualified instruction funding supplement. The supplement shall be in an amount calculated by the department of management equal to the percentage of the amount appropriated under subsection 4 that is proportionate to the school district's total in-person instruction days as a share of the statewide total in-person instruction days.

b. For purposes of this section:

(1) "Total in-person instruction days" means the sum of the number of school days the school district offered in-person instruction within the school district between August 23, 2020, and January 29, 2021, multiplied by the actual enrollment of the school district for the budget year beginning July 1, 2020. Each school day for which the school district offered in-person instruction to all students within the school district for six or more hours shall be counted as one school day. Each school day for which the school district offered in-person instruction to all students within the school district for three or more hours but less than six hours shall be counted as one-half of a school day. Each school day for which the school district offered in-person instruction to one-half or more but less than all students for six or more hours shall be counted as one-half of a school day.

(2) "Statewide total in-person instruction days" means the sum of each amount determined under subparagraph (1) for all public school districts in the state.

2. The qualified instruction funding supplement shall be miscellaneous income, shall be deposited in the general fund of the school district, may be used for any school general fund purpose, and shall not be included in district cost.

3. The qualified instruction funding supplement shall be paid at the same time and in the same manner as foundation

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aid is paid under section 257.16, and may be included in the remaining monthly payments of state aid under section 257.16, subsection 2, for the budget year beginning July 1, 2020.

4. There is appropriated from the general fund of the state to the department of management for the fiscal year beginning July 1, 2020, and ending June 30, 2021, thirty million dollars to be used for the payment of qualified instruction funding supplement payments under this section.

5. Each public school district in the state shall certify to the department of management on or before the fourteenth day after the effective date of this Act, the school district's total in-person instruction days as determined under subsection 1, paragraph "b", subparagraph (1).

Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill establishes a qualified instruction funding supplement for the school budget year beginning July 1, 2020.

Each public school district shall receive a qualified instruction funding supplement in an amount calculated by the department of management equal to the percentage of the $30 million appropriated in the bill that is proportionate to the school district's total in-person instruction days as a share of the statewide total in-person instruction days. Under the bill, "total in-person instruction days" means the sum of the number of school days the school district offered in-person instruction within the school district between August 23, 2020, and January 29, 2021, multiplied by the actual enrollment of the school district for the budget year beginning July 1, 2020. Each school day for which the school district offered in-person instruction to all students within the school district for six or more hours shall be counted as one school day. Each school day for which the school district offered in-person instruction

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to all students within the school district for three or more hours but less than six hours shall be counted as one-half of a school day. Each school day for which the school district offered in-person instruction to one-half or more but less than all students for six or more hours shall be counted as one-half of a school day. "Statewide total in-person instruction days" means the sum of each school district's total in-person instruction days for all public school districts in the state.

The qualified instruction funding supplement is miscellaneous income, shall be deposited in the general fund of the school district, may be used for any school general fund purpose, and shall not be included in district cost.

The bill appropriates from the general fund of the state to the department of management $30 million for the purpose of making all qualified instruction funding supplement payments under the bill.

The bill requires each public school district in the state to certify to the department of management on or before the 14th day after the effective date of the bill, the school district's total in-person instruction days as determined under the provisions of the bill.

The bill takes effect upon enactment.

House Study Bill 204 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH BILL BY
CHAIRPERSON SORENSEN)

A BILL FOR

1 An Act regarding port authorities, including by allowing port
2 authorities to enter into certain loan agreements and lease
3 contracts.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2053YC (1) 89
th/ns

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Section 1. Section 28J.1, subsections 1 and 3, Code 2021, are amended to read as follows:

1. *"Authorized purposes"* means an activity that enhances, fosters, aids, provides, or promotes transportation, infrastructure, utility service, flood and erosion control, economic development, housing, recreation, education, governmental operations, culture, or research within the jurisdiction of a port authority.

3. *"City"* means the same as defined in section 362.2, and also includes a city enterprise as defined in section 384.24.

Sec. 2. Section 28J.1, subsection 6, paragraphs d, f, and g, Code 2021, are amended to read as follows:

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, architectural services, technical services, preliminary reports, property valuations, consequential damages or costs, provisions for contingencies, supervision, inspection, testing, and expenses of research and development with respect to a facility.

f. The interest upon the revenue bonds, ~~and~~ pledge orders, loan agreements, lease contracts, and certificates of participation in or other participatory interests or evidences of any obligation under a loan agreement or lease contract, during the period or estimated period of construction and for twelve months thereafter, or for twelve months after the acquisition date, and upon reserve funds as the port authority deems advisable in connection with a facility and the issuance of port authority revenue bonds, ~~and~~ pledge orders, loan agreements, lease contracts, and certificates of participation in or other participatory interests or evidences of any obligation under a loan agreement or lease contract.

g. The costs of issuance of port authority revenue bonds, ~~and~~ pledge orders, loan agreements, lease contracts, and certificates of participation in or other participatory

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interests or evidences of any obligations under a loan agreement or lease contract.

Sec. 3. Section 28J.1, subsections 7 and 8, Code 2021, are amended to read as follows:

7. *"Facility"* or *"port authority facility"* means any public works project, intermodal freight or transportation facility, project for which tax-exempt financing is authorized by the Internal Revenue Code, and real or personal property or improvements owned, leased, constructed, or otherwise controlled or financed by or for a port authority ~~and~~ that is 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,~~ any political subdivision, township, or other governmental subdivision, ~~or~~ any city utility, any other public corporation, special purpose district, authority, 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.

Sec. 4. Section 28J.1, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 8A. *"Net revenues"* means revenues less operating expenses.

Sec. 5. Section 28J.1, subsections 11, 12, and 14, Code 2021, are amended to read as follows:

11. *"Political subdivision"* means a ~~city, county, city-county consolidation, or multicounty consolidation, or combination thereof~~ municipality as defined in section 16.151.

12. *"Political subdivisions comprising the port authority"* means ~~the~~ each political ~~subdivisions~~ subdivision which created or participated in the creation of the port authority under section 28J.2, or which joined an existing port authority under section 28J.4.

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14. *"Port authority revenue bonds"* or *"revenue bonds"* means revenue bonds and revenue refunding bonds issued pursuant to section 28J.21.

Sec. 6. Section 28J.1, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 15A. *"Public works project"* means a project of a type that a political subdivision is authorized to undertake as otherwise provided by law, including but not limited to public roads and other transportation infrastructure, utility systems such as water treatment facilities and sewage treatment facilities, or a project as defined in section 384.80.

Sec. 7. Section 28J.1, subsection 16, Code 2021, is amended to read as follows:

16. *"Revenues"* means ~~rental~~ rents, fees, income, rates, tolls, receipts, and other charges or revenues received by a port authority or derived from the operations of a facility or for the use or services of a facility, a gift or grant received with respect to a facility, moneys received with respect to the lease, sublease, sale, including installment sale or conditional sale, or other disposition of a facility, moneys received in repayment of and for interest on any loans made by the port authority to a person or governmental agency, proceeds of port authority revenue bonds for payment of principal, premium, or interest on the bonds authorized by the port authority, proceeds or borrowings under port authority loan agreements for payment of principal, premium, or interest on the port authority obligations thereunder, proceeds or borrowings under lease contracts for the payment of lease payments thereunder, proceeds under any certificates of participation in or other participatory interests or evidences of any obligations under a loan agreement or lease contract, proceeds from any insurance, condemnation, or guarantee pertaining to the financing of the facility, and income and profit from the investment of the proceeds of port authority

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1 revenue bonds, proceeds, or borrowings under loan agreements,
2 lease contracts, or proceeds of certificates of participation
3 in or other participatory interests or evidences of any
4 obligation under any loan agreement or lease contract or of any
5 revenues.
6 Sec. 8. Section 28J.2, subsection 1, Code 2021, is amended
7 to read as follows:
8 1. ~~Two~~ One or more political subdivisions may by resolution
9 create a port authority under this chapter ~~by resolution~~
10 anywhere in this state, regardless of proximity to a body of
11 water. If a proposal to create a port authority receives a
12 favorable majority of the members of the elected legislative
13 body of each of the political subdivisions, the port authority
14 is created at the time provided in the resolution. The
15 jurisdiction of a port authority includes the territory
16 described in section 28J.8.
17 Sec. 9. Section 28J.2, Code 2021, is amended by adding the
18 following new subsection:
19 NEW SUBSECTION. 5. A port authority is an entity separate
20 from the political subdivisions comprising the port authority.
21 The powers granted to the port authority pursuant to this
22 chapter are in addition to other powers, and constitute
23 independent powers that may be exercised by the port authority
24 whether or not the political subdivisions comprising the
25 port authority have or may exercise any of those powers
26 individually.
27 Sec. 10. Section 28J.3, subsection 1, Code 2021, is amended
28 to read as follows:
29 1. The political subdivisions comprising a port authority
30 may appropriate and expend public funds and make contributions
31 to the port authority to finance or subsidize the operation and
32 authorized purposes of the port authority and pay the costs
33 and expenses incurred by the port authority in carrying out
34 any operations or authorized purposes of the port authority.
35 Political subdivisions comprising the port authority may

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enter into agreements with each other or the port authority providing for the contributions to the port authority to be made by each of the political subdivisions and providing for the obligations of each of the political subdivisions to pay, finance, or subsidize the costs and expenses incurred by the port authority. Political subdivisions comprising the port authority may, by resolution, authorize and appropriate funds for any contribution, payment, or financing required to be made under such agreement by the use of any method available to government agencies for providing funds or financing under section 28J.16. A port authority shall control tax revenues allocated to the facilities the port authority administers and all revenues derived from the operation of the port authority, the sale of its property, interest on investments, or from any other source related to the port authority.

Sec. 11. Section 28J.5, subsections 1, 2, and 5, Code 2021, are amended to read as follows:

1. A port authority created pursuant to section 28J.2 shall be governed by a board of directors. Members of a board of directors of a port authority created by two or more political subdivisions shall be divided among the political subdivisions comprising the port authority in such proportions as the political subdivisions may agree and shall be appointed by the respective political subdivision's elected legislative body. Members of a board of directors of a port authority created by one political subdivision shall be appointed by the political subdivision's governing body.

2. The number of directors comprising the board of a port authority created by two or more political subdivisions shall be determined by agreement between the political subdivisions comprising the port authority~~, and which~~. The number of directors comprising the board of directors of a port authority created by one political subdivision shall consist of the number of directors the political subdivision considers necessary. The number may be changed by resolution of each

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of the political subdivisions comprising the port authority and in accordance with any agreement between the political subdivisions comprising the port authority.

5. The board may provide procedures for the removal of a director who fails to attend three consecutive regular meetings of the board. If a director is so removed, a successor shall be appointed for the remaining term of the removed director in the same manner provided for the original appointment. ~~The appointing body~~ Any political subdivisions comprising the port authority may at any time remove a director appointed by it ~~for misfeasance, nonfeasance, or malfeasance in office~~ and appoint a successor for the remaining term of the removed director in the same manner as provided for by the original appointment.

Sec. 12. Section 28J.8, subsection 1, Code 2021, is amended to read as follows:

1. The area of jurisdiction of a port authority shall include all of the territory of the port authority facility and of the political subdivisions comprising the port authority and, if the port authority owns or leases a railroad line or airport, the territory on which the railroad's line, terminals, and related facilities or the airport's runways, terminals, and related facilities are located, regardless of whether the territory is located in the political subdivisions comprising the port authority.

Sec. 13. Section 28J.9, subsections 4, 8, and 10, Code 2021, are amended to read as follows:

4. Acquire, construct, furnish, equip, maintain, repair, sell, exchange, lease, lease with an option to purchase, convey interests in real or personal property, and operate any property of the port authority within or outside the territory of the political subdivisions comprising the port authority in furtherance of any authorized purpose, including in connection with transportation, recreational, governmental operations, or cultural activities ~~in furtherance of an authorized purpose~~.

8. Issue port authority revenue bonds beyond the limit

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of bonded indebtedness provided by law, payable solely from revenues as provided in section 28J.21, and enter into loan agreements and lease contracts as provided in section 28J.21A, for the purpose of providing funds to pay the costs of any facility or facilities of the port authority or parts thereof.

10. Enjoy and possess the same legislative and executive rights, privileges, and powers granted cities under ~~chapter~~ chapters 28F, 364, and 384, and counties under chapter 331, including the exercise of police power but excluding the power to levy taxes.

Sec. 14. Section 28J.11, subsection 2, Code 2021, is amended to read as follows:

2. Impair the powers of a political subdivision to develop or improve a port ~~and terminal~~ authority facility except as restricted by section 28J.15.

Sec. 15. Section 28J.13, Code 2021, is amended to read as follows:

28J.13 Annual budget — use of rents and charges.

The board shall annually prepare a budget for the port authority. Revenues received by the port authority shall be used for the general expenses of the port authority and to pay interest, amortization, and retirement charges on, and principal of, money borrowed and to make payments under lease contracts. Except as provided in section 28J.26, if there remains, at the end of any fiscal year, a surplus of such funds after providing for the above uses, the board shall pay such surplus into the general funds of the political subdivisions comprising the port authority as agreed to by the subdivisions.

Sec. 16. Section 28J.15, Code 2021, is amended to read as follows:

28J.15 Limitation on certain powers of political subdivisions.

A political subdivision creating or participating in the creation of a port authority in accordance with section 28J.2 shall not, during the time the port authority is in existence,

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exercise the rights and powers provided in chapters 28A, 28K, and 384 relating to the political subdivision's authority over a port, wharf, dock, harbor, or other facility substantially similar to that political subdivision's authority under a port authority granted under this chapter, except as provided in section 28J.2.

Sec. 17. Section 28J.16, subsection 1, paragraphs a and c, Code 2021, are amended to read as follows:

a. A port authority may charge, alter, and collect ~~rental~~ rents, fees, or other charges or revenues for the use or services of any port authority facility and contract for the use or services of a facility, and fix the terms, conditions, ~~rental~~ rents, fees, or other charges for the use or services.

c. The ~~rental~~ rents, fees, ~~or~~ other charges, and other revenues of a port authority shall not be subject to supervision or regulation by any other authority, commission, board, bureau, or governmental agency of the state and the contract may provide for acquisition of all or any part of the port authority facility for such consideration payable over the period of the contract or otherwise as the port authority determines to be appropriate, but subject to the provisions of any resolution authorizing the issuance of port authority revenue bonds, loan agreements, lease contracts, or certificates of participation in or other participatory interests or evidences of any obligations under a loan agreement or lease contract, or of any trust agreement securing the bonds, loan agreements, lease contracts, or certificates of participation in or other participatory interests or evidences of any obligation under a loan agreement or lease contract.

Sec. 18. Section 28J.16, subsection 2, paragraph a, Code 2021, is amended to read as follows:

a. A governmental agency may cooperate with the port authority in the acquisition, operation, or construction of a port authority facility and shall enter into such agreements with the port authority as may be appropriate, which shall

provide for contributions by the parties in a proportion as may be agreed upon and other terms as may be mutually satisfactory to the parties including the authorization of the construction of the facility by one of the parties acting as agent for all of the parties and the ownership, operation, and control of the facility by the port authority to the extent necessary or appropriate.

Sec. 19. Section 28J.17, subsection 1, paragraph a, Code 2021, is amended to read as follows:

a. A port authority may enter into a contract or other arrangement with a person, railroad, utility company, corporation, governmental agency including sewerage, drainage, conservation, conservancy, or other improvement districts in this or other states, or the governments or agencies of foreign countries as may be necessary or convenient for the exercise of the powers granted by this chapter. The port authority may purchase, lease, or acquire land or other property in any county of this state and in adjoining states for the accomplishment of authorized purposes of the port authority, or for the improvement of ~~the harbor and~~ port authority facilities over which the port authority may have jurisdiction including development of port authority facilities in adjoining states. The authority granted in this section to enter into contracts or other arrangements with the federal government includes the power to enter into any contracts, arrangements, or agreements that may be necessary to hold and save harmless the United States from damages due to the construction and maintenance by the United States of work the United States undertakes.

Sec. 20. Section 28J.19, Code 2021, is amended to read as follows:

28J.19 Property tax exemption.

A port authority shall be exempt from and shall not be required to pay taxes on real property that is purchased by a port authority or real property belonging to a port authority that is used exclusively for an authorized purpose, as provided

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1 in section 427.1, subsection 34.
2 Sec. 21. NEW SECTION. **28J.21A Loan agreements — lease**
3 **contracts — trust agreements.**
4 1. *Definitions.* As used in this section, unless the context
5 otherwise requires:
6 *a. "Lease contract"* includes any certificates of
7 participation or other participatory interests in the lease
8 contract or obligations arising out of the lease contract.
9 *b. "Loan agreement"* includes any notes, certificates, or any
10 other participatory interests issued to evidence the parties'
11 obligations arising out of the loan agreement.
12 2. *Loan agreements.* A port authority may enter into loan
13 agreements to borrow money to pay the costs of any facility, or
14 parts thereof, or to refund other obligations which are payable
15 from the net revenues of the port authority at lower, the same,
16 or higher rates of interest in accordance with the all of the
17 following terms and procedures:
18 *a.* A loan agreement entered into by a port authority may
19 contain provisions similar to those in loan agreements between
20 private parties, including but not limited to any of the
21 following:
22 (1) The loan agreement may provide for the issuance
23 of notes, certificates of participation, or any other
24 participatory interests to evidence the parties' obligations.
25 (2) The loan agreement may provide for maturity in one or
26 more installments.
27 (3) The loan agreement may be in registered form and carry
28 registration and conversion privileges.
29 (4) The loan agreement may be payable as to principal and
30 interest at times and places as specified.
31 (5) The loan agreement may be subject to terms of redemption
32 prior to maturity with or without a premium.
33 (6) The loan agreement may be in one or more denominations.
34 *b.* A provision of a loan agreement which stipulates that
35 a portion of the payments be applied as interest is subject

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to chapter 74A and such interest may be at a variable rate or rates changing from time to time in accordance with a base or formula. Other laws relating to interest rates do not apply and the provisions of chapter 75 are not applicable.

c. The board may authorize a loan agreement to be payable solely from the net revenues of a port authority by substantially following the authorization procedures of section 28J.21 for the issuance of revenue bonds. The resolution authorizing the loan agreement may also prescribe additional provisions, terms, conditions, and covenants that the port authority deems advisable, consistent with this chapter, including provisions for creating and maintaining reserve funds and for the authorization of additional loan agreements ranking on a parity with such loan agreements and additional loan agreements junior and subordinate to such loan agreement, and that such loan agreement shall rank on a parity with or be junior and subordinate to any loan agreement which may be then outstanding. A port authority loan agreement shall be a contract between the port authority and the lender and the resolution shall be made part of the contract.

d. A loan agreement to which a port authority is a party is an obligation of the political subdivisions comprising the port authority for the purposes of chapters 502 and 636, and is a lawful investment for any bank, trust company, savings association, deposit guaranty association, investment company, insurance company, insurance association, executor, guardian or trustee, and any fiduciary responsible for the investment of funds or having charge of the loan retirement funds or sinking funds of any port authority, governmental agency, or taxing district of this state, any pension and annuity retirement system, the Iowa public employees' retirement system, the police officers and fire fighters retirement systems under chapters 410 and 411, or a revolving fund of a governmental agency of this state, and are acceptable as security for the deposit of public funds under chapter 12C.

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3. *Lease contracts.* A port authority may enter into lease contracts for real or personal property comprising a port authority facility, or parts thereof, in accordance with all of the following terms and procedures:

a. A port authority shall lease property only for a term which does not exceed the economic life of the property, as determined by the board.

b. A lease contract entered into by a port authority may contain provisions similar to those found in lease contracts between private parties, including but not limited to any of the following:

(1) The lease contract may provide for the issuance of certificates of participation or other participatory interests in the lease contracts or any obligations thereunder.

(2) The lease contract may provide for the lessee to pay any of the costs of operation or ownership of the leased property and for the right to purchase the leased property.

c. A provision of a lease contract which stipulates that a portion of the rent or lease payments be applied as interest is subject to the provisions of chapter 74A and such interest may be at a variable rate or rates changing from time to time in accordance with a base or formula. Other laws relating to interest rates shall not apply and the provisions of chapter 75 are not applicable.

d. The board may authorize a lease contract payable solely from the net revenues of a port authority by substantially following the authorization procedures set forth in section 28J.21 for the issuance of port authority revenue bonds. The resolution authorizing the lease contract 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 and the authorization of additional lease contracts ranking on a parity with such lease contracts and additional lease contracts junior and subordinate to such lease

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contracts, and that such lease contracts shall rank on a parity with or be junior and subordinate to any lease contract which may be then outstanding. A port authority lease contract shall be a contract between the port authority and the lessor and the resolution shall be part of the contract.

e. A lease contract to which a port authority is a party is an obligation of the political subdivisions comprising the port authority for the purposes of chapters 502 and 636, and is a lawful investment for any bank, trust company, savings association, deposit guaranty association, investment company, insurance company, insurance association, executor, guardian or trustee, and any fiduciary responsible for the investment of funds or having charge of the lease retirement funds or sinking funds of any port authority, governmental agency or taxing district of this state, any pension and annuity retirement system, the Iowa public employees' retirement system, the police officers and fire fighters retirement systems under chapters 410 and 411, or a revolving fund of a governmental agency of this state, and are acceptable as security for the deposit of public funds under chapter 12C.

f. A contract for construction by a private party of property to be leased by a port authority is not a contract for a public improvement and shall not be subject to the provisions of chapter 26 and section 28J.3, subsection 3. This paragraph applies to all contracts that are subject to this subsection, notwithstanding section 28J.9, subsection 18, or any other provision of law that might otherwise apply, including a requirement of notice, competitive bidding or selection, or for the provision of security. However, if a contract is funded in advance by means of the lessor depositing moneys to be administered by a port authority with the port authority's obligation to make rent or lease payments commencing with its receipt of moneys, a contract for construction of the property in question awarded by the port authority is a public improvement and is subject to the provisions of chapter 26.

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4. *Trust agreements.*

a. In the discretion of the port authority, a loan agreement or a lease contract authorized under this section and the port authority's obligations thereunder may be secured by a trust agreement between the port authority and a corporate trustee that may be any trust company or bank having the powers of a trust company within this or any other state. Subject to the other provisions of this paragraph, the corporate trustee may also be the lender under a loan agreement or the lessor under a lease contract authorized under this section.

b. The trust agreement may provide for the issuance of notes to evidence the port authority's obligations under a loan agreement to which the port authority is a party. The trust agreement may also provide for the issuance of certificates of participation or other participatory interests in a lease contract to which a port authority is a party. The trust agreement, or any resolution authorizing the loan agreement or the lease contract, may pledge or assign revenues of the port authority to be received as payment of obligations under the loan agreement or the lease contract and may contain provisions for protecting and enforcing the rights and remedies of the lender, the lessor, or the holders of notes evidencing the port authority's obligations under the loan agreement. These provisions may include covenants setting forth the duties of the port authority in relation to the acquisition of property, the construction, improvement, maintenance, repair, operation, and insurance of the port authority facility in connection with which the loan agreement or the lease contract is authorized, the rentals or other charges to be imposed for the use or services of any port authority facility, the custody, safeguarding, and application of all moneys, and provisions for the employment of consulting engineers in connection with the construction or operation of any port authority facility.

c. A bank or trust company incorporated under the laws of this state that acts as the depository of the proceeds or

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1 borrowings provided under the loan agreement or lease contract
2 or of revenues, shall furnish any indemnifying bonds and may
3 pledge any securities that are required by the port authority.
4 The trust agreement may set forth the rights and remedies of
5 the lender, the lessor, or the holders of notes evidencing the
6 port authority's obligations under the loan agreement and may
7 restrict the individual right of action by the lender, the
8 lessor, or the holders of notes evidencing the port authority's
9 obligations under the loan agreement as is customary in trust
10 agreements or trust indentures securing similar loan agreements
11 or lease contracts. The trust agreement may contain any other
12 provisions that the port authority determines reasonable and
13 proper for the security of the lender, the lessor, or the
14 holders of notes evidencing the port authority's obligations
15 under the loan agreement. All expenses incurred in carrying
16 out the provisions of the trust agreement may be treated as
17 a part of the cost of the operation of the port authority
18 facility.
19 5. *Exclusions.* Port authority loan agreements and lease
20 contracts authorized under this chapter shall not constitute
21 a debt, indebtedness, or a pledge of the faith and credit of
22 the port authority or the state or any political subdivision
23 of the state, within the meaning of any state constitutional
24 provision or statutory limitation, nor constitute or give rise
25 to a pecuniary liability of the port authority, any political
26 subdivisions comprising the port authority, the state, or
27 any political subdivision of the state, or a charge against
28 the general credit or taxing power of the port authority.
29 Any political subdivisions comprising the port authority,
30 the state, or any political subdivision of the state, and
31 the holders or owners of the obligations owed under a loan
32 agreement or lease contract shall not have taxes levied by the
33 state or by a taxing authority of a governmental agency of the
34 state for the payment of the principal of or interest owed on
35 such obligations. However, a loan agreement or lease contract

and the obligation owed thereunder are payable solely from the revenues and funds pledged for their payment as authorized by this chapter. All loan agreements and lease contracts authorized under this chapter and the evidence of obligations owed under such loan agreements or lease contracts such shall contain a statement to the effect that the loan agreement or lease contract authorized under this chapter and the evidence of obligations owed under the loan agreement or lease contract, as to both principal and interest, are not debts of the port authority or the state or any political subdivision of the state, but are payable solely from revenues and funds pledged for their payment.

6. *Judicial proceedings.*

a. The sole remedy for a breach or default of a term of any port authority loan agreement or lease contract authorized under this chapter is a proceeding in law or in equity by suit, action, or mandamus to enforce and compel performance of the duties required by this chapter and of the terms of the resolution authorizing the loan agreement or lease contract, or to obtain the appointment of a receiver to take possession of and operate the port authority and to perform the duties required by this chapter and the terms of the resolution authorizing the loan agreement or lease contract.

b. An action shall not be brought after fifteen days from the time the loan agreement or lease contract is authorized by the port authority with regards to any of the following:

(1) The legality of the port authority loan agreement or lease contract.

(2) The power of a port authority to authorize the port authority loan agreement or lease contract.

(3) The effectiveness of any proceedings relating to the authorization of the port authority loan agreement or lease contract.

Sec. 22. Section 28J.25, Code 2021, is amended to read as follows:

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28J.25 Funds and property held in trust — use and deposit of funds.

All revenues, funds, properties, and assets acquired by the port authority under this chapter, whether as proceeds from the sale of port authority revenue bonds, pledge orders, borrowings under a loan agreement, entering into a lease contract, proceeds from the issuance of certificates of participation or any other participatory interests in such loan agreement or lease contract or as revenues, shall be held in trust for the purposes of carrying out the port authority's powers and duties, shall be used and reused as provided in this chapter, and shall at no time be part of other public funds. Such funds, except as otherwise provided in a resolution authorizing port authority revenue bonds or pledge orders, the loan agreement or lease contract, or in a trust agreement securing the same, or except when invested pursuant to section 28J.26, shall be kept in depositories selected by the port authority in the manner provided in chapter 12C, and the deposits shall be secured as provided in that chapter. The resolution authorizing the issuance of revenue bonds or pledge orders, the loan agreement or lease contract, or the trust agreement securing such bonds or pledge orders, shall provide that any officer to whom, or any bank or trust company to which, such moneys are paid shall act as trustee of such moneys and hold and apply them for the purposes hereof, subject to such conditions as this chapter and such resolution or trust agreement provide.

Sec. 23. Section 28J.26, subsection 1, Code 2021, is amended to read as follows:

1. If a port authority has surplus funds after making all deposits into all funds required by the terms, covenants, conditions, and provisions of outstanding revenue bonds, pledge orders, loan agreements, or lease contracts and refunding bonds which are payable from the revenues of the port authority and after complying with all of the requirements, terms, covenants, conditions, and provisions of the proceedings and

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resolutions pursuant to which revenue bonds, pledge orders, and refunding bonds are issued or the loan agreement or lease contract is authorized, the board may transfer the surplus funds to any other fund of the port authority in accordance with this chapter and chapter 12C, provided that a transfer shall not be made if it conflicts with any of the requirements, terms, covenants, conditions, or provisions of a resolution authorizing the issuance of revenue bonds, pledge orders, or other obligations ~~which are~~ or loan agreements or lease contracts payable from the revenues of the port authority which are then outstanding.

Sec. 24. Section 427.1, subsection 34, Code 2021, is amended to read as follows:

34. *Port authority property.* The property of a port authority created pursuant to section 28J.2, when devoted to public use and not held for pecuniary profit, or property purchased by a port authority.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the powers and duties of port authorities.

Under Code chapter 28J, the bill modifies the defined terms "authorized purposes", "city", "cost", "facility" or "port authority facility", "governmental agency", "political subdivision", "political subdivisions comprising the port authority", "port authority revenue bonds" or "revenue bonds", and "revenues". The bill creates and defines the terms "net revenues" and "public works project".

The bill allows for the creation of a port authority by one or more political subdivisions, rather than by two or more political subdivisions. The bill provides for the creation of a port authority anywhere in this state regardless of proximity to a body of water. The bill also provides that a port authority is an entity separate from the political subdivisions

1 comprising the port authority. The powers granted to the
2 port authority may be exercised whether or not the political
3 subdivisions comprising the port authority may exercise those
4 same powers.
5 The bill provides that the political subdivisions
6 comprising the port authority may make contributions to the
7 port authority, in addition to appropriating or expending
8 public funds as set forth in current law, to finance or
9 subsidize the operation and authorized purposes of the port
10 authority, and pay the costs and expenses incurred by the
11 port authority in carrying out any operations or authorized
12 purposes of the port authority. Under the bill, political
13 subdivisions comprising the port authority are allowed to
14 enter into agreements with each other or the port authority
15 providing for the contributions to the port authority to be
16 made by each of the political subdivisions and providing for
17 the obligations of each of the political subdivisions to pay,
18 finance, or subsidize the costs and expenses incurred by the
19 port authority.
20 The bill makes conforming changes to Code section 28J.5
21 relating to the membership of the board of directors of a port
22 authority created by one political subdivision. The bill
23 further provides that any political subdivisions comprising the
24 port authority may appoint a successor for the remaining term
25 of a removed director.
26 The bill modifies the powers of a port authority as it
27 relates to its property regardless of whatever the property is
28 within or outside the territory of the political subdivisions
29 comprising the port authority if in furtherance of any
30 authorized purpose. The bill further allows a port authority
31 to enter into loan agreements and lease contracts, as provided
32 for in the bill, and to exercise the same powers granted to
33 cities under Code chapters 28F (joint financing of public works
34 and facilities) and 384 (city finance).
35 The bill allows a port authority to use its revenues for

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principal on borrowed money and payments under lease contracts. The bill further provides that a contract regarding rentals or charges for use of services of a port authority may provide for acquisition of the port authority facility subject to the provisions of any resolution authorizing the issuance of port authority revenue bonds, loan agreements, lease contracts, or any trust agreement securing such bonds, loan agreements, or lease contracts.

The bill allows a governmental agency to cooperate with the port authority in the operation of a port authority facility.

The bill provides that real property that is purchased by a port authority is not subject to certain property taxes.

Under the provisions of the bill, a port authority may enter into certain loan agreements and lease contracts. A port authority may enter into loan agreements to borrow money to pay the costs of any facility, or parts thereof, or to refund other obligations which are payable from the net revenues of the port authority at lower, the same, or higher rates of interests. A port authority may enter into lease contracts for real or personal property comprising a port authority facility, but can only lease property for a term that does not exceed the economic life of the property. The bill details certain provisions similar to those in loan agreements and lease contracts between private parties that a loan agreement or lease contract entered into by a port authority may contain. The bill provides certain conditions for when a loan agreement or lease contract stipulates that a portion of the payments be applied as interest. The board of a port authority can authorize a loan agreement or lease contract, along with prescribing additional terms and provisions, by resolution and such resolution becomes part of the loan agreement or lease contract. A loan agreement or lease contract in which a port authority is a party is an obligation of political subdivisions comprising the port authority. A contract for construction by a private party of property to be leased by a port authority

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1 is not a contract for public improvement, except under certain
2 conditions.
3 The bill authorizes loan agreements or lease contracts to be
4 secured by a trust agreement between the port authority and a
5 corporate trustee, and further provides how the trust agreement
6 functions.
7 The bill provides that loan agreements and lease contracts
8 authorized by the bill do not constitute a debt, indebtedness,
9 or a pledge of faith and credit of the port authority or of
10 the state or any political subdivisions of the state nor do
11 any such agreements give rise to pecuniary liability as to
12 these entities or act as a charge against the general credit
13 or taxing power of the port authority. The bill provides that
14 any political subdivisions comprising the port authority, the
15 state, or any political subdivisions of the state, and the
16 holders or owners of obligations owed under a loan agreement
17 or lease contract cannot have taxes levied by the state or
18 by a taxing authority of a governmental agency of the state
19 for the payment of the principal of or interest owed on such
20 obligations.
21 Under the bill, the sole remedy for a breach or default of
22 any port authority loan agreement or lease contract authorized
23 by the bill is a proceeding in law or in equity to enforce and
24 compel performance of required duties and the terms of the
25 resolution authorizing the loan agreement or lease contract,
26 or to obtain the appointment of a receiver to take possession
27 and operate the port authority to perform the required duties
28 and terms. An action cannot be brought after 15 days from the
29 time the loan agreement or lease contract is authorized by the
30 port authority if the action regards the legality of the loan
31 agreement or lease contract, the power of the port authority
32 to authorize the loan agreement or lease contract, or the
33 effectiveness of any proceeding relating to the authorization
34 of the loan agreement or lease contract.
35 The bill makes conforming changes to Code sections 28J.8,

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1 28J.11, 28J.15, 28J.17, 28J.25, and 28J.26.

House Study Bill 205 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON BEST)

A BILL FOR

1 An Act relating to private land available for public use for
2 recreational purposes.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2010YC (1) 89
js/ns

H.F. _____

Section 1. Section 461C.2, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 01. *"Bicycle"* means the same as defined in section 321.1 except the device may have any number of wheels.

Sec. 2. Section 461C.2, subsections 3 and 5, Code 2021, are amended to read as follows:

3. *"Land"* means private land that is one or any combination of the following: abandoned or inactive surface mines; caves; land used for agricultural purposes; marshlands; timber; grasslands; or the privately owned roads, railroad rights-of-way or crossings, paths, trails, waters, water courses, exteriors and interiors of buildings, structures, machinery, or equipment appurtenant thereto. *"Land"* includes land that is not open to the general public. *"Land"* also includes private land located in a municipality in connection with and while being used for urban deer control or a recreational purpose.

5. *"Recreational purpose"* means the following or any combination thereof: hunting, trapping, horseback riding, fishing, swimming, boating, camping, picnicking, jogging, walking, hiking, pleasure driving, motorcycling, bicycle riding, all-terrain vehicle riding, nature study, water skiing, snowmobiling, other summer and winter sports, educational activities, and viewing or enjoying historical, archaeological, scenic, or scientific sites while going to and from or actually engaged therein. *"Recreational purpose"* includes the activity of accompanying another person who is engaging in such activities. *"Recreational purpose"* is not limited to active engagement in such activities, but includes entry onto, use of, passage over, and presence on any part of the land in connection with or during the course of such activities.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to private land available for public use

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for recreational purposes. The bill defines "bicycle" to mean a device, regardless of the number of wheels, having at least one saddle or seat for the use of a rider that is propelled by human power or a device with fully operable pedals and an electric motor of less than 750 watts (one horsepower), with a maximum speed on a paved level surface, when powered solely by such a motor while ridden, of less than 20 miles per hour. The bill amends the definition of "land" to include privately owned railroad rights-of-way or crossings and to include land located in a municipality in connection with or while being used for a recreational purpose. The bill amends the definition of "recreational purpose" to include jogging, walking, and bicycle riding.

Current law provides that a holder of land who makes the land available for a public recreational purpose without charge does not owe a duty of care to keep the premises safe for entry or use by others for a recreational purpose or urban deer control, or to give any warning of a dangerous condition, use, structure, or activity on such premises to persons entering for such purposes.

House Study Bill 206 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON LUNDGREN)

A BILL FOR

1 An Act relating to rate regulatory proceedings before the
2 utilities board within the utilities division of the
3 department of commerce.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2109YC (3) 89
jda/rn

H.F. _____

Section 1. Section 476.6, subsection 7, Code 2021, is amended to read as follows:

7. *Limitation on filings.*

a. A public utility that utilizes a historic test year in a rate regulatory proceeding pursuant to section 476.33 shall not make a subsequent filing of an application for a new or changed rate, charge, schedule, or regulation which relates to services for which a rate filing is pending within twelve months following the date the prior application was filed or until the board has issued a final order on the prior application, whichever date is earlier, unless the public utility applies to the board for authority and receives authority to make a subsequent filing at an earlier date.

b. A public utility that utilizes a future test year in a rate regulatory proceeding pursuant to section 476.33 shall not file an application for a new or changed rate, charge, schedule, or regulation until after the date the board has issued a final order related to the subsequent proceeding unless the public utility applies to the board for authority and receives authority to make a subsequent filing.

Sec. 2. Section 476.6, subsection 9, paragraph a, Code 2021, is amended to read as follows:

a. ~~A~~ If a public utility utilizes a historic test year in a rate regulatory proceeding pursuant to section 476.33, the public utility may choose to place in effect temporary rates, charges, schedules, or regulations without board review on or after ten days following the filing date under this section. If the utility chooses to place such rates, charges, schedules, or regulations in effect, the utility shall file with the board a bond or other corporate undertaking approved by the board conditioned upon the refund in a manner prescribed by the board of amounts collected in excess of the amounts which would have been collected under rates, charges, schedules, or regulations finally approved by the board. At the conclusion of the proceeding if the board determines that the temporary

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1 rates, charges, schedules, or regulations placed in effect
2 under this paragraph were not based on previously established
3 regulatory principles, the board shall consider ordering
4 refunds based upon the overpayments made by each individual
5 customer class, rate zone, or customer group. If the board
6 has not rendered a final decision with respect to suspended
7 rates, charges, schedules, or regulations upon the expiration
8 of ten months after the filing date, plus the length of any
9 delay that necessarily results either from the failure of the
10 public utility to exercise due diligence in connection with
11 the proceedings or from intervening judicial proceedings,
12 plus the length of any extension permitted by section 476.33,
13 subsection 3, then such temporary rates, charges, schedules, or
14 regulations placed into effect on a temporary basis shall be
15 deemed finally approved by the board and the utility may place
16 them into effect on a permanent basis.
17 Sec. 3. Section 476.33, subsection 4, paragraph b, Code
18 2021, is amended to read as follows:
19 *b.* For a rate regulatory proceeding utilizing a future test
20 year, the rules shall require the board to consider the use
21 of any twelve-month period beginning no later than the date
22 on which a proposed rate change is expected to take effect
23 in determining just and reasonable rates. The rules shall
24 also require the board to conduct a proceeding subsequent to
25 the effective date of a rate resulting from a rate regulatory
26 proceeding utilizing a future test year to determine whether
27 the actual costs and revenues are reasonably consistent with
28 those approved by the board. If the actual costs and revenues
29 are not reasonably consistent with those approved by the
30 board, the board shall adjust the rates accordingly. For a
31 rate regulatory proceeding utilizing a future test year, the
32 board may adopt rules regarding evidence required, information
33 to support forecasts, and any reporting obligations. The
34 board may also adopt rules regarding the conditions under
35 which a public utility that utilizes a future test year may

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subsequently utilize a historic test year. A public utility shall not be precluded from filing a rate regulatory proceeding utilizing a future test year prior to the adoption of any rules pursuant to this subsection. A public utility that utilizes a future test year in a rate regulatory proceeding shall not propose the use of multiple future test years in the same rate regulatory proceeding.

Sec. 4. Section 476.33, subsection 4, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0c.* For the proceeding subsequent to the effective date of a rate resulting from a rate regulatory proceeding utilizing a future test year, the rules shall establish filing requirements for the subsequent proceeding, procedural rules, and standards of reasonableness for determining whether the actual costs and revenues are reasonably consistent with those approved by the board and if refunds, reduced rates, or increased rates should be required. The subsequent proceeding shall be based upon twelve months of actual data beginning from the date that the rates based upon a future test year became effective, and the board shall conduct a hearing within ninety days after the public utility files the twelve-month data with the board, if the board determines that a hearing is necessary. The public utility shall file the twelve-month data within ninety days of the end of the twelve-month period. The board shall issue a final order within one hundred twenty days after the public utility files the twelve-month data required for the subsequent proceeding.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to rate regulatory proceedings before the utilities board within the utilities division of the department of commerce.

The bill prohibits a public utility that utilizes a historic test year in a rate regulatory proceeding from making a

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subsequent filing of an application for a new or changed rate which relates to services for which a rate filing is pending within 12 months following the date the prior application was filed or until the board has issued a final order on the prior application, whichever date is earlier, unless the public utility applies to the board and receives authority. Additionally, the bill prohibits a public utility that utilizes a future test year in a proceeding from filing an application for a new or changed rate until after the board has issued an order related to the subsequent proceeding unless the public utility applies to the board and receives authority.

Current law allows public utilities to place in effect temporary rates, charges, schedules, or regulations without board review on or after 10 days following the filing date under Code section 476.6. The bill provides only a public utility that utilizes a historic test year under Code section 476.33 may place in effect such temporary rates, charges, schedules, or regulations.

The bill prohibits a public utility that utilizes a future test year in a rate regulatory proceeding from proposing the use of multiple future test years in the same proceeding.

Current law requires the board to adopt rules that require the board to utilize either a historic test year or a future test year in a rate regulatory proceeding. With respect to proceedings that take place after the effective date of a rate resulting from a proceeding utilizing a future test year, the bill requires the board's rules to establish filing requirements and standards of reasonableness for determining whether the actual costs and revenues are consistent with those approved by the board. The bill requires the subsequent proceeding to be based on 12 months of data. Additionally, the bill requires the public utility to file the data within 90 days of the end of the 12-month period, and requires the board to issue a final order within 120 days after the public utility files the data.

House Study Bill 207 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON LUNDGREN)

A BILL FOR

1 An Act relating to the location and marking of underground
2 facilities and providing penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2217YC (5) 89
jda/rn

H.F. _____

Section 1. Section 480.1, Code 2021, is amended by adding the following new subsections:

NEW SUBSECTION. 5A. *"Forty-eight-hour period"* means:

a. For a request an operator receives from the notification center on or before 12:00 p.m., a period of forty-eight hours beginning at 12:00 p.m. on the day the operator receives the request.

b. For a request an operator receives from the notification center after 12:00 p.m., a period of forty-eight hours beginning at 11:59 p.m. on the day the operator receives the request.

NEW SUBSECTION. 5B. *"Locator"* means a person who engages in, or proposes to engage in, the location and marking of underground facilities pursuant to a contract with an operator. *"Locator"* does not include an employee of an operator.

Sec. 2. Section 480.4, subsection 3, paragraph a, subparagraphs (1) and (2), Code 2021, are amended to read as follows:

(1) An operator who receives notice from the notification center shall mark the horizontal location of the operator's underground facility and the excavator shall use due care in excavating in the marked area to avoid damaging the underground facility. The operator shall complete such locating and marking, and shall notify the notification center that the marking is complete within ~~forty-eight hours after receiving the notice~~ a forty-eight-hour period, excluding Saturdays, Sundays, and legal holidays, unless otherwise agreed by the operator and the excavator. No later than the expiration of the forty-eight-hour period, excluding Saturdays, Sundays, and legal holidays, the notification center shall notify the excavator of the underground facility locating and marking status, or the failure of the operator to notify the center that the locating and marking is complete. The locating and marking of the underground facilities shall be completed at no cost to the excavator. If, in the opinion of the operator, the

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planned excavation requires that the precise location of the underground facilities be determined, the excavator, unless otherwise agreed upon between the excavator and the operator, shall hand dig test holes to determine the location of the facilities unless the operator specifies an alternate method.

(2) The marking required under this subsection shall be done in a manner that will last for a minimum of five working days on any nonpermanent surface, or a minimum of ten working days on any permanent surface. If the excavation will continue for any period longer than such periods, the operator shall remark the location of the underground facility upon the request of the excavator. The request shall be made through the notification center. The operator shall complete the remarking and the notification center shall notify the excavator of the operator's completion of the remarking within a forty-eight-hour period, excluding Saturdays, Sundays, and legal holidays, unless otherwise agreed by the operator and the excavator.

Sec. 3. Section 480.4, subsection 3, paragraph b, Code 2021, is amended to read as follows:

b. An operator who receives notice from the notification center and who determines that the operator does not have any underground facility located within the proposed area of excavation shall notify the notification center concerning this determination within ~~forty-eight hours after receiving the notice~~ a forty-eight-hour period, excluding Saturdays, Sundays, and legal holidays, unless otherwise agreed by the operator and the excavator. No later than the expiration of the forty-eight-hour period, excluding Saturdays, Sundays, and legal holidays, the notification center shall notify the excavator that the operator does not have any underground facilities within the proposed area of excavation.

Sec. 4. Section 480.6, Code 2021, is amended to read as follows:

480.6 Civil penalties.

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1 1. A person who violates a provision of this chapter is
2 subject to a civil penalty as follows:
3 *a.* For a violation related to natural gas and hazardous
4 liquid pipelines, an amount not to exceed ten thousand dollars
5 for each violation for each day the violation continues, up to
6 a maximum of five hundred thousand dollars.
7 *b.* For a violation related to any other underground
8 facility, an amount not to exceed one thousand dollars for each
9 violation for each day the violation continues, up to a maximum
10 of twenty thousand dollars.
11 *c.* For a locator's violation related to any time limit
12 in this chapter or any standard established by the utilities
13 board pursuant to section 480.11, an amount not to exceed one
14 hundred dollars for each violation for each day the violation
15 continues, up to a maximum of five thousand dollars. The
16 utilities board shall establish, by rule, a schedule or range
17 of civil penalties that it may assess in accordance with this
18 paragraph.
19 2. The attorney general, upon the receipt of a
20 complaint, may direct the complaint to the utilities board
21 for investigation and may institute any legal proceedings
22 necessary to enforce the penalty provisions of this chapter.
23 The attorney general may direct the board to investigate a
24 complaint. After investigating a complaint pursuant to this
25 subsection, the board shall provide the attorney general with a
26 written summary of the investigation and all evidence the board
27 acquired during the investigation.
28 2A. The utilities board may independently receive,
29 investigate, and enforce complaints alleging a violation of
30 section 480.11 pursuant to rules adopted by the board. The
31 board may provide the attorney general with a written summary
32 of the investigation and all evidence the board acquired during
33 the investigation.
34 3. All amounts collected pursuant to this section shall
35 be remitted to the treasurer of state, who shall deposit the

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amount in the general fund of the state.

Sec. 5. NEW SECTION. **480.11 Locator certificate.**

1. A locator shall not engage in the location or marking of underground facilities on behalf of an operator pursuant to section 480.4 without first receiving a locator certificate from the utilities board.

2. The utilities board shall establish, by rule, all of the following:

a. The procedure for obtaining a locator certificate.

b. An application for a locator certificate. The application shall require all of the following:

(1) A copy of the locator's basic organizational document.

(2) If the locator is not incorporated or organized in this state, a copy of the locator's certificate of authority.

(3) Information related to the locator's insurance and bonding.

(4) Information related to the training utilized by the locator.

(5) Information related to the locator's experience locating and marking underground facilities.

(6) Information related to complaints the locator has received from an excavator, operator, or any other person related to the locator's services.

(7) A statement that the locator agrees to comply with the requirements of this chapter and rules adopted by the utilities board pursuant to this chapter and chapter 476.

c. Performance standards applicable to locators, including standards intended to ensure locators timely complete their services as required by this chapter.

d. A schedule or range of civil penalties that the board may assess for violations of this section.

e. A procedure for the suspension or revocation of a locator certificate.

3. A locator who has received a certificate from the utilities board under this section shall not do any of the

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following:

a. Enter into a contract with an operator that provides incentive payments to the locator based on the number of location and marking services performed by the locator.

b. Pay an employee or independent contractor based on the number of location and marking services performed by the employee or independent contractor.

c. Notify the notification center that the locator's services could not be completed as a result of a failure to contact the excavator unless the locator includes in the notification information showing the date, time, and method of the locator's attempted contact, including the name and contact information of the representative of the excavator that the locator attempted to contact.

4. An operator shall not be subject to any action under this section.

5. The utilities board shall adopt rules pursuant to chapter 17A to administer and interpret this section.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the location and marking of underground facilities and provides penalties.

The bill defines "forty-eight-hour period" as, for a request an operator receives from the notification center on or before 12:00 p.m., a period of 48 hours beginning at 12:00 p.m. on the day the operator receives the request, and for a request an operator receives from the notification center after 12:00 p.m., a period of 48 hours beginning at 11:59 p.m. on the day the operator receives the request. The bill defines "locator" as a person who engages in the location and marking of underground facilities pursuant to a contract with an operator. Additionally, the bill provides that "locator" does not include an employee of an operator.

The bill requires an operator who receives notice from the

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notification center to mark the location of the operator's underground facility, and notify the notification center that the marking is complete, within a forty-eight-hour period. Additionally, the bill requires the operator to complete any remarking, and requires the notification center to notify the excavator of the operator's completion of the remarking, within a forty-eight-hour period.

The bill requires an operator who receives notice from the notification center and who determines that the operator does not have any underground facility located within the proposed area of excavation to notify the notification center within a forty-eight-hour period.

The bill provides that if a locator violates a time limit in Code chapter 480, or any standard established by the utilities board, the locator shall be subject to a civil penalty in an amount not to exceed $100 for each violation for each day the violation continues, up to a maximum of $5,000. The bill requires the board to establish, by rule, a schedule or range of civil penalties that it may assess.

The bill authorizes the attorney general to direct complaints to the utilities board for investigation. The bill provides that, after investigating a complaint, the board shall provide the attorney general with a written summary of the investigation and evidence the board acquired during the investigation.

The bill authorizes the board to independently receive, investigate, and enforce complaints alleging a violation of new Code section 480.11 pursuant to rules adopted by the board. Additionally, the bill authorizes the board to provide the attorney general with a written summary of the investigation and evidence the board acquired during the investigation.

The bill prohibits a locator from engaging in the location or marking of underground facilities on behalf of an operator without first receiving a locator certificate from the board.

The bill requires the board to establish by rule all of the

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following: a procedure for obtaining a locator certificate, an application for a locator certificate, performance standards applicable to locators, a schedule or range of civil penalties that the board may assess for violations, and a procedure for the suspension or revocation of a locator certificate. The bill provides requirements for the application for a locator certificate.

The bill prohibits a locator who has received a certificate from the board from entering into a contract with an operator that provides incentive payments to the locator based on the number of location and marking services performed or from paying an employee or independent contractor based on the number of location and marking services performed by an employee or independent contractor. Additionally, the bill prohibits a locator who has received a certificate from the board from notifying the notification center that the locator's services could not be completed as a result of a failure to contact the excavator unless the locator includes in the notification information related to the attempted contact.

The bill provides that an operator shall not be subject to any action under new Code section 480.11.

The bill grants the utilities board the authority to adopt rules to administer and interpret the provisions of the bill relating to new Code section 480.11.

House Study Bill 208 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON HOLT)

A BILL FOR

1 An Act relating to the statute of limitations for recovery
2 from injuries to a person or property from a licensed
3 veterinarian.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2266YC (1) 89
cm/jh

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Section 1. NEW SECTION. **169.21 Limitations of actions.**

An action for professional negligence or malpractice for injuries to a person or property against an individual licensed under this chapter shall not be brought more than two years after the date on which the claimant knew, or through the use of reasonable diligence should have known, or received notice in writing of the existence of, the injury for which damages were sought in the action, whichever of the dates occurs first.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill provides a statute of limitations for an action brought for professional negligence or malpractice against a person licensed to practice veterinary medicine.

The bill provides that a person has two years after the date the claimant knew, should have known, or received notice of the injury for which damages are being sought to bring an action against a person licensed to practice veterinary medicine.

Under current law, Code section 614.1(4) provides that injuries to property shall be brought within five years of the injury.

House Study Bill 209 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON JUDICIARY BILL BY
CHAIRPERSON HOLT)

A BILL FOR

1 An Act relating to nonsubstantive Code corrections, and
2 including retroactive applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2260HC (1) 89
lh/ns

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DIVISION I

MISCELLANEOUS CHANGES

Section 1. Section 8.44, subsection 1, paragraph a, Code 2021, is amended to read as follows:

a. Upon receiving federal funds or any other funds from any public or private sources, except gifts or donations made to institutions for the personal use or for the benefit of members, patients, or inmates and receipts from the gift shop of merchandise manufactured by members, patients, or inmates, the state departments, agencies, boards, and institutions receiving ~~such~~ the funds shall submit a written report within thirty days after receipt of the funds to the director of the department of management. The report shall state the source of the funds that supplement or replace state appropriations for institutional operations, the amount received, and the terms under which the funds are received.

Sec. 2. Section 8A.460, subsection 1, Code 2021, is amended to read as follows:

1. A terminal liability health insurance fund is created in the state treasury under the control of the department of administrative services. The proceeds of the terminal liability health insurance fund shall be used by the department of administrative services to pay the state's share of the terminal liability of the existing health insurance contract administered by the department of administrative services. The moneys appropriated to the terminal liability health insurance fund plus any additional moneys appropriated or collected pursuant to 2001 Iowa Acts, ch. 190, or other Acts of the general assembly shall constitute the total amount due to pay the terminal liability specified in this section.

Sec. 3. Section 12.20, Code 2021, is amended to read as follows:

12.20 Issuance of new check.

Upon presentation of any check voided as provided in section 12.19 by the holder of the check after the ~~six-months'~~

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six-month period, the state treasurer is authorized to issue a new check for the amount of the original check to the holder.

Sec. 4. Section 15.317, subsection 3, Code 2021, is amended to read as follows:

3. The business is not an entity providing professional services, health care services, or medical treatments or is not an entity engaged primarily in retail operations.

Sec. 5. Section 15.354, subsection 3, paragraph e, subparagraph (2), subparagraph division (b), Code 2021, is amended to read as follows:

(b) If the project costs cause the housing project's average dwelling unit cost to exceed the applicable maximum amount authorized in section 15.353, subsection 3, but ~~does~~ do not cause the average dwelling unit cost to exceed one hundred ten percent of such applicable maximum amount, the authority may consider the agreement fulfilled and may issue a tax credit certificate. In such case, the authority shall reduce the tax incentive award and the corresponding amount of tax incentives the eligible housing project may claim under section 15.355, subsections 2 and 3, by the same percentage that the housing project's average dwelling unit cost exceeds the applicable maximum amount under section 15.353, subsection 3, and such tax incentive reduction shall be reflected on the tax credit certificate. If the authority issues a certificate pursuant to this subparagraph division, the department of revenue shall accept the certificate notwithstanding that the housing project's average dwelling unit costs ~~exceeds~~ exceed the maximum amount specified in section 15.353, subsection 3.

Sec. 6. Section 15J.2, subsection 7, paragraph c, Code 2021, is amended to read as follows:

c. A joint board or other legal entity established or designated in an agreement made pursuant to chapter 28E between two or more contiguous municipalities identified in paragraph *"a"* or *"b"* ~~pursuant to chapter 28E~~.

Sec. 7. Section 17A.4A, subsection 4, unnumbered paragraph

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1 1, Code 2021, is amended to read as follows:
2 Upon receipt by an agency of a timely request for a
3 regulatory analysis, the agency shall extend the period
4 specified in this chapter for each of the following until at
5 least twenty days after publication in the Iowa administrative
6 bulletin of a concise summary of the regulatory analysis:
7 Sec. 8. Section 24.29, Code 2021, is amended to read as
8 follows:
9 **24.29 Appeal.**
10 The state board may conduct the hearing or may appoint a
11 deputy. A deputy designated to hear an appeal shall attend
12 in person and conduct the hearing in accordance with section
13 24.28~~, and~~. The deputy shall promptly report the proceedings
14 at the hearing, which report shall become a part of the
15 permanent record of the state board.
16 Sec. 9. Section 29A.75, Code 2021, is amended to read as
17 follows:
18 **29A.75 Affidavit.**
19 An affidavit, executed by an attorney in fact or agent,
20 setting forth that the attorney or agent has not or had not, at
21 the time of doing any act pursuant to the power of attorney,
22 received actual knowledge or actual notice of the revocation or
23 termination of the power of attorney, by death or otherwise,
24 or notice of any facts indicating the same, shall, in the
25 absence of fraud, be conclusive proof of the nonrevocation or
26 nontermination of the power at such time. If the exercise of
27 the power requires execution and delivery of any instrument
28 which is recordable under the laws of this state, ~~such~~ the
29 affidavit ~~(when~~, if authenticated for record in the manner
30 prescribed by ~~law)~~ law, shall likewise be recordable.
31 Sec. 10. Section 29B.43, Code 2021, is amended to read as
32 follows:
33 **29B.43 Oaths.**
34 Before performing their official duties, military judges,
35 members of a general and special courts-martial, trial counsel,

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assistant trial counsel, defense counsel, assistant defense counsel, reporters, and interpreters shall take an oath to perform their duties faithfully. The adjutant general shall adopt rules prescribing the form of the oath, the time and place of the taking of the oath, the manner of recording, and whether the oath must be taken for all cases in which official duties must be performed or for a particular case. The rules may provide that an oath to perform duties faithfully as a military judge, trial counsel, assistant trial counsel, defense counsel, or assistant defense counsel may be taken at any time by any judge advocate or legal officer, or other person certified to be qualified or competent for the duty, and that once taken the oath need not be taken again each time the person is detailed to that duty.

Sec. 11. Section 48A.19, subsection 1, paragraph a, subparagraph (4), Code 2021, is amended to read as follows:

(4) Special supplemental ~~food~~ nutrition program for women, infants, and children.

Sec. 12. Section 50.48, subsection 6, Code 2021, is amended to read as follows:

6. The commissioner shall promptly notify the state commissioner of any recount of votes for an office to which section 50.30, or section 43.60 in the case of a primary election, is applicable. If necessary, the state canvass required by section 50.38, or by section 43.63, as the case may be, shall be delayed with respect to the office or the nomination to which the recount pertains. The commissioner shall subsequently inform the state commissioner at the earliest possible time whether any change in the outcome of the election in that county or district resulted from the recount.

Sec. 13. Section 67.3, Code 2021, is amended to read as follows:

67.3 Refusal to obey subpoena — fees.

1. If any witness, duly subpoenaed, refuses to obey ~~said~~ the subpoena, or refuses to testify, ~~said~~ the commission shall

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1 certify ~~said~~ the fact to the district court of the county where
2 the investigation is ~~being had and said~~ taking place. The
3 court shall proceed with ~~said~~ the witness in the same manner
4 as though ~~said~~ the refusal had occurred in a legal proceeding
5 before ~~said~~ the court or judge.
6 2. Witnesses shall be paid in the manner provided for
7 witnesses before the executive council and from the same
8 appropriation.
9 Sec. 14. Section 80.45A, subsection 1, paragraph a, Code
10 2021, is amended to read as follows:
11 *a. "Commissioner"* means the commissioner ~~of the department~~
12 of public safety or the commissioner's designee.
13 Sec. 15. Section 80D.9, Code 2021, is amended to read as
14 follows:
15 **80D.9 Supervision of reserve peace officers.**
16 1. Reserve peace officers shall be subordinate to regular
17 peace officers, shall not serve as peace officers unless
18 under the direction of regular peace officers, and shall
19 wear a uniform prescribed by the chief of police, sheriff,
20 commissioner of public safety, or director of the judicial
21 district department of correctional services unless that
22 superior officer designates alternate apparel for use when
23 engaged in assignments involving special investigation, civil
24 process, court duties, jail duties, and the handling of mental
25 patients. The reserve peace officer shall not wear an insignia
26 of rank.
27 2. Each department for which a reserve force is established
28 shall appoint a certified peace officer as the reserve force
29 coordinating and supervising officer. A reserve peace
30 officer force established in a judicial district department
31 of correctional services must be directly supervised by a
32 certified peace officer who is on duty. That certified peace
33 officer shall report directly to the chief of police, sheriff,
34 commissioner of public safety or the commissioner's designee,
35 or director of the judicial district department of correctional

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services or the director's designee, as the case may be.

Sec. 16. Section 84A.13, subsection 4, Code 2021, is amended to read as follows:

4. An Iowa employer innovation fund is created in the state treasury as a separate fund under the control of the department of workforce development, in consultation with the workforce development board. The fund shall consist of any moneys appropriated by the general assembly and any other moneys available to and obtained or accepted by the department from the federal government. A portion of the moneys deposited in the fund, in an amount to be determined annually by the department of workforce development in consultation with the workforce development board, shall be transferred annually to the Iowa child care challenge fund created pursuant to section 84A.13A. The assets of the Iowa employer innovation fund shall be used by the department in accordance with this section. All moneys deposited or paid into the fund are appropriated and made available to the board to be used in accordance with this section. Notwithstanding section 8.33, any balance in the fund on June 30 of each fiscal year shall not revert to the general fund of the state, but shall be available for purposes of this section and for transfer in accordance with this section in subsequent fiscal years.

Sec. 17. Section 85.26, subsection 3, Code 2021, is amended to read as follows:

3. Notwithstanding chapter 17A, the filing with the workers' compensation commissioner of the original notice or petition for an original proceeding or an original notice or petition to reopen an award or agreement of settlement provided by section 86.13, for benefits under this chapter or chapter 85A or 85B is the only act constituting ~~"commencement"~~ commencement for purposes of this section.

Sec. 18. Section 85.55, subsection 1, Code 2021, is amended to read as follows:

1. For purposes of this section, ~~franchisee~~ *"franchisee"*

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and ~~franchisor~~ *"franchisor"* mean the same as defined in section 523H.1.

Sec. 19. Section 85A.4, Code 2021, is amended to read as follows:

85A.4 Disablement defined.

~~Disablement as that term is~~ As used in this chapter ~~is~~, *"disablement"* means the event or condition where an employee becomes actually incapacitated from performing the employee's work or from earning equal wages in other suitable employment because of an occupational disease as defined in this chapter in the last occupation in which such employee is injuriously exposed to the hazards of such disease.

Sec. 20. Section 89A.10, subsection 3, Code 2021, is amended to read as follows:

3. If the commissioner has reason to believe that the continued operation of a conveyance constitutes an imminent danger which could reasonably be expected to seriously injure or cause death to any person, in addition to any other remedies, the commissioner may apply to the district court in the county in which such imminently dangerous condition exists for a temporary order for the purpose of enjoining such imminently dangerous conveyance. Upon hearing, if deemed appropriate by the court, a permanent injunction may be issued to ~~insure~~ ensure that such imminently dangerous conveyance be prevented or controlled. Upon the elimination or rectification of such imminently dangerous condition, the temporary or permanent injunction shall be vacated.

Sec. 21. Section 91.11, Code 2021, is amended to read as follows:

91.11 Prosecutions for violations.

1. If the commissioner learns of any violation of any law administered by the division, the commissioner may give the county attorney of the county in which the violation occurred written notice of the facts, whereupon that officer shall institute the proper proceedings against the person charged

with the offense.

2. If the commissioner is of the opinion that the violation is not willful, or is an oversight or of a trivial nature, the commissioner may at the commissioner's discretion fix a time within which the violation shall be corrected and notify the owner, operator, superintendent, or person in charge~~, and if~~. If the violation is corrected within the time fixed, then the commissioner shall not cause prosecution to be begun.

Sec. 22. Section 96.1A, subsection 37, Code 2021, is amended to read as follows:

37. ~~*"Total and partial unemployment"*~~ *"Totally unemployed", "partially unemployed", and "temporarily unemployed".*

a. An individual shall be deemed *"totally unemployed"* in any week with respect to which no wages are payable to the individual and during which the individual performs no services.

b. An individual shall be deemed *"partially unemployed"* in any week in which either of the following apply:

(1) While employed at the individual's then regular job, the individual works less than the regular full-time week and in which the individual earns less than the individual's weekly benefit amount plus fifteen dollars.

(2) The individual, having been separated from the individual's regular job, earns at odd jobs less than the individual's weekly benefit amount plus fifteen dollars.

c. An individual shall be deemed *"temporarily unemployed"* if for a period, verified by the department, not to exceed four consecutive weeks, the individual is unemployed due to a plant shutdown, vacation, inventory, lack of work, or emergency from the individual's regular job or trade in which the individual worked full-time and will again work full-time, if the individual's employment, although temporarily suspended, has not been terminated.

Sec. 23. Section 96.6, subsection 2, Code 2021, is amended to read as follows:

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2. *Initial determination.* A representative designated by the director shall promptly notify all interested parties to the claim of its filing, and the parties have ten days from the date of ~~issuing~~ issuance of the notice of the filing of the claim to protest payment of benefits to the claimant. All interested parties shall select a format as specified by the department to receive such notifications. The representative shall promptly examine the claim and any protest, take the initiative to ascertain relevant information concerning the claim, and, on the basis of the facts found by the representative, shall determine whether or not the claim is valid, the week with respect to which benefits shall commence, the weekly benefit amount payable and its maximum duration, and whether any disqualification shall be imposed. The claimant has the burden of proving that the claimant meets the basic eligibility conditions of section 96.4. The employer has the burden of proving that the claimant is disqualified for benefits pursuant to section 96.5, except as provided by this subsection. The claimant has the initial burden to produce evidence showing that the claimant is not disqualified for benefits in cases involving section 96.5, subsections 10 and 11, and has the burden of proving that a voluntary quit pursuant to section 96.5, subsection 1, was for good cause attributable to the employer and that the claimant is not disqualified for benefits in cases involving section 96.5, subsection 1, paragraphs *"a"* through *"h"*. Unless the claimant or other interested party, after notification or within ten calendar days after notification was issued, files an appeal from the decision, the decision is final and benefits shall be paid or denied in accordance with the decision. If an administrative law judge affirms a decision of the representative, or the appeal board affirms a decision of the administrative law judge allowing benefits, the benefits shall be paid regardless of any appeal which is thereafter taken, but if the decision is finally reversed, no employer's

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account shall be charged with benefits so paid and this relief from charges shall apply to both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.

Sec. 24. Section 96.14, subsection 16, Code 2021, is amended to read as follows:

16. *Injunction upon nonpayment.* Any employer or employing unit refusing or failing to make and file required reports~~,~~ or records, or to pay any contributions, interest, or penalty under the provisions of this chapter, after ten days' written notice sent by the department to the employer's or employing unit's last known address by certified mail, may be enjoined from operating any business in the state while in violation of this chapter upon the complaint of the department in the district court of a county in which the employer or employing unit has or had a place of business within the state, and any temporary injunction enjoining the continuance of such business may be granted without notice and without a bond being required from the department. Such injunction may enjoin any employer or employing unit from operating a business unit until the delinquent contributions, interest, or penalties shall have been made and filed or paid; or the employer shall have furnished a good and sufficient bond conditioned upon the payment of such delinquencies in such an amount and containing such terms as may be determined by the court; or the employer has entered into a plan for the liquidation of the business to pay for such delinquencies as the court may approve, provided that such injunction may be reinstated upon the employer's failure to comply with the terms of said plan.

Sec. 25. Section 96.40, subsection 5, Code 2021, is amended to read as follows:

5. An employer may file an appeal in writing ~~of~~ from a denial or approval of a plan or revocation of an approved plan by the department within thirty days from the date of the decision.

Sec. 26. Section 124.409, subsection 3, Code 2021, is

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amended to read as follows:

3. In order to obtain the most effective results from such medical treatment and rehabilitative services, the court may commit the person to the custody of a public or private agency or any other responsible person and impose other conditions upon the commitment as is necessary to ~~insure~~ ensure compliance with the court's order and to ~~insure~~ ensure that the person will not, during the period of treatment and rehabilitation, again violate a provision of this chapter.

Sec. 27. Section 125.33, subsection 5, Code 2021, is amended to read as follows:

5. If a patient leaves a facility, with or against the advice of the administrator in charge of the facility, the director may make reasonable provisions for the patient's transportation to another facility or to the patient's home. If the patient has no home the patient shall be assisted in obtaining shelter. If the patient is a minor or an incompetent person, the request for discharge from an inpatient facility shall be made by a parent, legal guardian, or other legal representative, or by the minor or incompetent person if the patient was the original applicant.

Sec. 28. Section 135.14, subsection 2, paragraph d, Code 2021, is amended to read as follows:

d. Manage the oral and health delivery systems bureau including direction, supervision, and fiscal management of bureau staff.

Sec. 29. Section 135.15, unnumbered paragraph 1, Code 2021, is amended to read as follows:

An oral and health delivery ~~system~~ systems bureau is established within the division of health promotion and chronic disease prevention of the department. The bureau shall be responsible for all of the following:

Sec. 30. Section 135.16, Code 2021, is amended to read as follows:

135.16 Special supplemental nutrition program for

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women, infants, and children ~~supplemental food program~~ — methamphetamine education.

As a component of the federal funding received by the department as the administering agency for the special supplemental nutrition program for women, infants, and children ~~supplemental food program~~, from the United States department of agriculture, food and ~~consumer~~ nutrition service, the department shall incorporate a methamphetamine education program into its nutrition and health-related education services. The department shall be responsible for the development of the education program to be delivered, and for the selection of qualified contract agencies to deliver the instruction under the program.

Sec. 31. Section 135.16A, Code 2021, is amended to read as follows:

135.16A Vendors participating in federal ~~food~~ nutrition program — egg sales.

1. As used in this section, unless the context otherwise requires:

a. "Conventional eggs" means eggs other than specialty eggs.

b. "Eggs" means shell eggs that are graded as "AA", "A", or "B" pursuant to 7 C.F.R. pt. 56, subpt. A, and that are sold at retail in commercial markets.

c. "Federal ~~food~~ nutrition program" means the special supplemental ~~food~~ nutrition program for women, infants, and children as provided in 42 U.S.C. §1786, et seq.

d. "Grocery store" means a food establishment as defined in section 137F.1 licensed by the department of inspections and appeals pursuant to section 137F.4, to sell food or food products to customers intended for preparation or consumption off premises.

e. "Specialty eggs" means eggs produced by domesticated chickens, and sold at retail in commercial markets if the chickens producing such eggs are advertised as being housed in any of the following environments:

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(1) Cage-free.
(2) Free-range.
(3) Enriched colony cage.
2. *a.* The department of inspections and appeals shall assist the Iowa department of public health in adopting rules necessary to implement and administer this section.
b. If necessary to implement, administer, and enforce this section, the Iowa department of public health, in cooperation with the department of agriculture and land stewardship, shall submit a request to the United States department of agriculture for a waiver or other exception from regulations as deemed feasible by the Iowa department of public health. The Iowa department of public health shall regularly report the status of such request to the legislative services agency.
3. A grocery store that is a vendor participating in a federal ~~food~~ nutrition program and offering specialty eggs for retail sale shall maintain an inventory of conventional eggs for retail sale sufficient to meet federal and state requirements for participation in the federal ~~food~~ nutrition program.
4. This section does not require a grocery store to do any of the following:
a. Stock or sell specialty eggs.
b. Stock or sell eggs, if the grocery store elects not to stock or sell conventional eggs for retail sale as part of its normal business.
c. Comply with the provisions of this section, if the grocery store's inventory of eggs for retail sale was limited to specialty eggs prior to January 1, 2018.
5. A violation of subsection 3 by a grocery store shall not be construed to disqualify a grocery store from participating in a federal ~~food~~ nutrition program unless otherwise authorized by the United States department of agriculture.
Sec. 32. Section 135.19, subsection 2, Code 2021, is amended to read as follows:

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2. The department shall establish by rule a list of individuals by category who are at increased risk for viral hepatitis exposure. The list shall be consistent with recommendations developed by the centers for disease control and prevention of the United States department of health and human services, and shall be developed in consultation with the Iowa viral hepatitis task force and the Iowa department of veterans affairs. The department shall also establish by rule what information is to be distributed and the form and manner of distribution. The rules shall also establish a vaccination and testing program, to be coordinated by the department through local health departments and clinics and other appropriate locations.

Sec. 33. Section 135.43, subsection 2, paragraph n, Code 2021, is amended to read as follows:

n. One other member who is appointed at large.

Sec. 34. Section 135.43, subsection 4, paragraph c, subparagraph (3), Code 2021, is amended to read as follows:

(3) Confirmation of receipt by the department of human services ~~receipt~~ of any report of child abuse involving the child, including confirmation as to whether or not any assessment involving the child was performed in accordance with section 232.71B, the results of any assessment, a description of the most recent assessment and the services offered to the family, the services rendered to the family, and the basis for the department's decisions concerning the case.

Sec. 35. Section 135.173A, subsection 4, paragraph n, Code 2021, is amended to read as follows:

n. One designee of the early childhood Iowa office of the department of management.

Sec. 36. Section 148F.3, subsection 8, Code 2021, is amended to read as follows:

8. Adoption of rules providing temporary licensing for persons providing orthotic, prosthetic, and pedorthic care in this state prior to ~~the effective date of this Act~~ July 1,

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2012. A temporary license is good for no more than one year.

Sec. 37. Section 153.14, subsection 2, Code 2021, is amended to read as follows:

2. Licensed ~~"physicians and surgeons"~~ physicians and surgeons or licensed ~~"osteopathic physicians and surgeons"~~ osteopathic physicians and surgeons who extract teeth or treat diseases of the oral cavity, gums, teeth, or maxillary bones as an incident to the general practice of their profession.

Sec. 38. Section 154A.20, subsection 2, Code 2021, is amended to read as follows:

2. The receipt shall bear the following statement in type no smaller than the largest used in the body copy portion of the receipt:

The purchaser has been advised that any examination or representation made by a licensed hearing aid specialist in connection with the fitting or selection and selling of this hearing aid is not an examination, diagnosis, or prescription by a person licensed to practice medicine in this state and, therefore, must not be regarded as medical opinion or advice.

Sec. 39. Section 158.1, subsection 3, Code 2021, is amended to read as follows:

3. *"Barbershop"* means an establishment in a fixed location, or a location that is readily movable, where one or more persons engage in the practice of barbering.

Sec. 40. Section 162.1, subsection 1, paragraph a, Code 2021, is amended to read as follows:

a. ~~Insure~~ Ensure that all dogs and cats handled by commercial establishments are provided with humane care and treatment.

Sec. 41. Section 190B.201, subsections 2 and 3, Code 2021, are amended to read as follows:

2. The purpose of the fund is to relieve situations of emergency experienced by families or individuals who reside in this state, including low-income families and individuals and unemployed families and individuals, by distributing food

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to those persons, and the department of agriculture and land stewardship may contract with an Iowa food bank association to manage the program.

3. The Iowa food bank association managing the program shall distribute food under the program to emergency feeding organizations in this state. The Iowa food bank association shall report to the department of agriculture and land stewardship as required by the department.

Sec. 42. Section 191.1, Code 2021, is amended to read as follows:

191.1 Label requirements.

All food offered or exposed for sale, or sold in package or wrapped form, shall be labeled on the package or container as prescribed in sections 189.9 ~~to~~ through 189.12~~, inclusive~~, unless otherwise provided in this chapter.

Sec. 43. Section 191.2, unnumbered paragraph 1, Code 2021, is amended to read as follows:

The products enumerated below shall be labeled on the side or top of the container or package in which placed, kept, offered or exposed for sale, or sold as prescribed in sections 189.9 ~~to~~ through 189.12~~, inclusive~~, except that the label shall be printed in letters not less than three-quarters inch in height and one-half inch in width and subject to the following regulations:

Sec. 44. Section 200.2, Code 2021, is amended to read as follows:

200.2 Enforcing official.

This chapter shall be administered by the secretary of agriculture~~, hereinafter referred to as the secretary~~.

Sec. 45. Section 200.15, Code 2021, is amended to read as follows:

200.15 Refusal to register or cancellation of registration and licenses.

1. ~~The~~ Upon satisfactory evidence that the registrant or licensee has used fraudulent or deceptive practices or has

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willfully violated any provisions of this chapter or any rules and regulations promulgated under this chapter, the secretary is authorized and empowered to ~~cancel~~ do any of the following:

a. Cancel the registration of any product of commercial fertilizer or soil conditioner or license ~~or to refuse~~.

b. Refuse to register any product of commercial fertilizer or soil conditioner ~~or refuse~~.

c. Refuse to license any applicant ~~upon satisfactory evidence that the registrant or licensee has used fraudulent or deceptive practices or has willfully violated any provisions of this chapter or any rules and regulations promulgated under this chapter~~.

2. However, a registration or license shall not be revoked or refused until the registrant or licensee has been given the opportunity to appear for a hearing by the secretary.

Sec. 46. Section 202B.202, subsections 1, 2, and 3, Code 2021, are amended to read as follows:

1. *a.* A cooperative association which is a party to a contract for the care and feeding of swine in compliance with section 9H.2 prior to May 9, 2003, and which is in violation of section 9H.2, as amended by 2003 Iowa Acts, ch. 115, shall have until June 30, 2007, to comply with section 9H.2, as amended by 2003 Iowa Acts, ch. 115.

b. Notwithstanding any provision of this section, a cooperative association shall not take an action on or after May 9, 2003, that would be in violation of section 9H.2, as amended by 2003 Iowa Acts, ch. 115.

2. A processor that was in compliance with section 9H.2, Code 2001, prior to January 1, 2002, and which is in violation of section 9H.2, as amended by 2002 Iowa Acts, ch. 1095, shall have until June 30, 2006, to comply with section 9H.2, as amended by 2002 Iowa Acts, ch. 1095.

3. Notwithstanding any provision of this section, a processor shall not take an action on or after January 1, 2002, that would be in violation of section 9H.2, as amended by 2002

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Iowa Acts, ch. 1095.

Sec. 47. Section 216.22, subsection 1, Code 2021, is amended to read as follows:

1. For purposes of this section, ~~franchisee and franchisor~~ *"franchisee"* and *"franchisor"* mean the same as defined in section 523H.1.

Sec. 48. Section 216B.2, Code 2021, is amended to read as follows:

216B.2 Commission created.

1. The commission for the blind is established consisting of three members appointed by the governor, subject to confirmation by the senate. Members of the commission shall serve three-year terms beginning and ending as provided in section 69.19. ~~The commission shall adopt rules concerning programs and services for blind persons provided under this chapter.~~ The members of the commission shall appoint officers for the commission. A majority of the members of the commission shall constitute a quorum.

2. Commission members shall be reimbursed for actual expenses incurred in performance of their duties. Members may also be eligible to receive compensation as provided in section 7E.6. ~~The members of the commission shall appoint officers for the commission. A majority of the members of the commission shall constitute a quorum.~~

3. The commission shall adopt rules concerning programs and services for blind persons provided under this chapter.

Sec. 49. Section 225C.3, subsection 1, Code 2021, is amended to read as follows:

1. The division is designated the state mental health authority as defined in 42 U.S.C. §201(m) (1976) for the purpose of directing the benefits of the National Mental Health Act, 42 U.S.C. §201 et seq. This designation does not preclude the state board of regents from authorizing or directing any institution under its jurisdiction to carry out educational, prevention, and research activities in the areas of mental

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health and intellectual disability. The division may contract with the state board of regents or any institution under the board's jurisdiction to perform any of these functions.

Sec. 50. Section 230.20, subsection 1, paragraph a, subparagraph (2), Code 2021, is amended to read as follows:

(2) The costs of certain direct medical services identified in administrative rule, which may include but need not be limited to ~~X-ray~~ x-ray, laboratory, and dental services.

Sec. 51. Section 232.182, subsections 5A and 6, Code 2021, are amended to read as follows:

~~5A.~~ 6. If the court orders placement of the child into foster care, the court or the department shall establish a support obligation for the costs of the placement pursuant to section 234.39.

~~6.~~ 7. The hearing may be waived and the court may issue the findings and order required under subsection 5 on the basis of the department's written report if all parties agree to the hearing's waiver and the department's written report.

Sec. 52. Section 260C.48, subsection 1, paragraph a, subparagraph (1), subparagraph division (a), Code 2021, is amended to read as follows:

(a) Possess a baccalaureate or graduate degree in the area or a related area of study or occupational area in which the instructor teaches classes, or ~~possesses~~ possess a baccalaureate degree in any area of study if at least eighteen of the credit hours completed were in the career and technical field of instruction in which the instructor teaches classes.

Sec. 53. Section 261.120, subsection 3, paragraph a, subparagraphs (1) and (2), Code 2021, are amended to read as follows:

(1) Is enrolled in the final year of a doctor of veterinary medicine degree program at a college of veterinary medicine accredited by the American veterinary medical association council on education.

(2) Is a veterinarian licensed pursuant to chapter 169

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who, within five years of applying for this program, received a doctor of veterinary medicine degree from a college of veterinary medicine accredited by the American veterinary medical association council on education.

Sec. 54. Section 261.120, subsection 4, paragraph a, Code 2021, is amended to read as follows:

a. Receive or possess a doctor of veterinary medicine degree, or the equivalent, from a college of veterinary medicine accredited by the American veterinary medical association council on education.

Sec. 55. Section 263B.4, Code 2021, is amended to read as follows:

263B.4 Definitions.

As used in sections 263B.5 and 263B.6:

1. *"Appropriate authority"* means the federal or state authorities concerned with the preservation and study of historical objects.

~~1.~~ 2. *"Historical objects"* means archaeological and paleontological objects, including all ruins, sites, buildings, artifacts, fossils, or other objects of antiquity that have state and national significance from an historical or scientific standpoint for the inspiration and benefit of the people of the United States.

~~2.~~ 3. *"Salvage"* means the salvage of historical objects.

~~3. *"Appropriate authority"* means the federal or state authorities concerned with the preservation and study of historical objects.~~

Sec. 56. Section 272A.1, subsection 2, paragraphs a, b, c, d, e, and f, Code 2021, are amended to read as follows:

~~*a.* *"Educational personnel"* means persons who must meet requirements pursuant to state law as a condition of employment in educational programs.~~

a. *"Accept"*, or any variant thereof, means to recognize and give effect to one or more determinations of another state relating to the qualifications of educational personnel in

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lieu of making or requiring a like determination that would otherwise be required by or pursuant to the laws of a receiving state.

b. "Designated state official" means the education official of a state selected by that state to negotiate and enter into, on behalf of that state, contracts pursuant to this agreement.

~~*c. "Accept"*, or any variant thereof, means to recognize and give effect to one or more determinations of another state relating to the qualifications of educational personnel in lieu of making or requiring a like determination that would otherwise be required by or pursuant to the laws of a receiving state.~~

c. "Educational personnel" means persons who must meet requirements pursuant to state law as a condition of employment in educational programs.

~~*d. "State"* means a state, territory, or possession of the United States; the District of Columbia; or the Commonwealth of Puerto Rico.~~

~~*e.*~~ *d. "Originating state"* means a state, and the subdivision thereof, if any, whose determination that certain educational personnel are qualified to be employed for specific duties in schools is acceptable in accordance with the terms of a contract made pursuant to article III of this agreement.

~~*f.*~~ *e. "Receiving state"* means a state, and the subdivisions thereof, which accepts educational personnel in accordance with the terms of a contract made pursuant to article III of this agreement.

f. "State" means a state, territory, or possession of the United States; the District of Columbia; or the Commonwealth of Puerto Rico.

Sec. 57. Section 306A.10, Code 2021, is amended to read as follows:

306A.10 Notice to relocate — costs paid.

Whenever the state department of transportation, a city, or a county determines that relocation or removal of any utility

facility now located in, over, along, or under any highway or street, is necessitated by the construction of a project on routes of the national system of interstate and defense highways including extensions within cities or on streets or highways resulting from interstate substitutions in a qualified metropolitan area under Tit. 23, U.S.C., the utility owning or operating the facility shall relocate or remove the ~~same~~ facility in accordance with statutory notice. The costs of relocation or removal, including the costs of installation in a new location, shall be ascertained by the authority having jurisdiction over the project or as determined in condemnation proceedings for such purposes and may be paid from participating federal aid or other funds.

Sec. 58. Section 311.23, subsection 1, Code 2021, is amended to read as follows:

1. The total cost of any secondary road assessment district project shall in the first instance be paid out of the county treasury. Any assessments which are paid in cash, and in anticipation of which assessments no certificates have been issued, shall be transferred to the county treasury.

Sec. 59. Section 321.504, Code 2021, is amended to read as follows:

321.504 Optional notification.

In lieu of mailing the notification described in section 321.502 to the defendant in a foreign state, the plaintiff may cause the notification to be personally served in the foreign state on the defendant by any adult person not a party to the suit, by delivering the notification to the defendant or by offering to make such delivery in case the defendant refuses to accept delivery.

Sec. 60. Section 327E.1, Code 2021, is amended to read as follows:

327E.1 Foreign railway ~~companies~~ corporations.

1. Any railway corporation organized or created by or under the laws of any other state, owning and operating a line

or lines of railroad in such state, may build its road or branches into this state, and shall possess all the powers and privileges, and be subject to the same liabilities, as like corporations organized and incorporated under the laws of this state, if ~~it shall file~~ the railway corporation files with the secretary of state a copy of its articles of incorporation, if incorporated under a general law of such state, or a certified copy of the statute incorporating it ~~where~~ if the charter ~~thereof~~ was granted by statute.

2. Any such railway corporation may take and hold voluntary grants of real estate and other property as are made to it to aid in the construction, maintenance, and continued operation of its railway. However, all real estate so received shall be held only as long as the real estate is used for the construction, maintenance, and continued operation of a railway.

Sec. 61. Section 331.424, subsection 1, paragraph a, subparagraph (1), subparagraph division (b), Code 2021, is amended to read as follows:

(b) Clothing, transportation, medical, or other services provided persons attending the Iowa braille and sight saving school, the Iowa school for the deaf, or the university of Iowa hospitals and clinics' center for disabilities and development for children with severe disabilities at Iowa City, for which the county becomes obligated to pay pursuant to sections 263.12, 269.2, and 270.4 ~~through 270.7~~.

Sec. 62. Section 359.3, Code 2021, is amended to read as follows:

359.3 Boundaries conterminous with city.

Where the boundaries of any city have been changed, the board of supervisors of the county in which the ~~same~~ city is situated shall have power to change the boundary lines of townships so as to make them conform to the boundaries of the city, and to make such other changes in township lines, and the number of townships, as it may deem necessary; but no action shall be

taken affecting the boundaries or existing conditions of school districts.

Sec. 63. Section 359.32, Code 2021, is amended to read as follows:

359.32 Sale of lots — gifts.

Township trustees shall have authority to provide for the sale of lots, or portions thereof, in any cemetery under their control, and make rules in regard thereto. Township trustees may provide for perpetual upkeep by the establishment of a perpetual upkeep fund from the proceeds of sale of lots, and may accept ~~gifts~~ a gift, devise, or bequest~~,~~ made to them for that purpose.

Sec. 64. Section 359A.22, Code 2021, is amended to read as follows:

359A.22 Controversies.

Upon the application of either owner, after notice is given as prescribed in this chapter, the fence viewers shall determine all controversies arising under sections 359A.18 ~~to~~ through 359A.21, ~~inclusive,~~ including the partition fences made sheep and swine tight.

Sec. 65. Section 420.236, subsection 1, Code 2021, is amended to read as follows:

1. That ~~no~~ a person shall not be permitted to pay taxes of any one year until the taxes for the previous years ~~shall be~~ are first paid.

Sec. 66. Section 421.27, subsection 2, paragraph c, subparagraph (2), subparagraph division (b), Code 2021, is amended to read as follows:

(b) As used in this subparagraph, all words and phrases shall have the same meaning as defined in section 422.25A ~~shall have the same meaning given them by that section~~.

Sec. 67. Section 421.59, subsection 1, paragraph b, Code 2021, is amended to read as follows:

b. A taxpayer may at any time revoke a power of attorney filed with the department pursuant to this subsection ~~1~~. Upon

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processing of the taxpayer's revocation of a power of attorney, the department shall cease honoring the power of attorney.

Sec. 68. Section 422.1, subsections 4 and 10, Code 2021, are amended to read as follows:

4. Subchapter IV Repealed by 2003 Iowa Acts, 1st Ex., ch. 2, §151, 205; see chapter 423.

10. Subchapter X Repealed by 2009 Iowa Acts, ch. 179, §152, 153.

Sec. 69. Section 422.4, subsection 10, Code 2021, is amended to read as follows:

10. The word *"nonresident"* applies only to individuals, and includes all individuals who are not "residents" within the meaning of subsection 15 ~~hereof~~.

Sec. 70. Section 422.11A, Code 2021, is amended to read as follows:

422.11A New jobs tax credit.

1. The taxes imposed under this subchapter, less the credits allowed under section 422.12, shall be reduced by a new jobs tax credit. An industry which has entered into an agreement under chapter 260E and which has increased its base employment level by at least ten percent within the time set in the agreement or, in the case of an industry without a base employment level, adds new jobs within the time set in the agreement is entitled to this new jobs tax credit for the tax year selected by the industry. In determining if the industry has increased its base employment level by ten percent or added new jobs, only those new jobs directly resulting from the project covered by the agreement and those directly related to those new jobs shall be counted.

2. The amount of this credit is equal to the product of six percent of the taxable wages, as defined in section 96.1A, subsection 36, upon which an employer is required to contribute to the state unemployment compensation fund, ~~as defined in section 96.1A, subsection 36,~~ times the number of new jobs

existing in the tax year that directly result from the project covered by the agreement or new jobs that directly result from those new jobs. The tax year chosen by the industry shall either begin or end during the period beginning with the date of the agreement and ending with the date by which the project is to be completed under the agreement. An individual may claim the new jobs tax credit allowed a partnership, subchapter S corporation, or 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 the partnership, subchapter S corporation, or estate or trust. Any credit in excess of the tax liability for the tax year may be credited to the tax liability for the following ten tax years or until depleted, whichever is the earlier.

3. For purposes of this section, *"agreement"*, *"industry"*, *"new job"*, and *"project"* mean the same as defined in section 260E.2 and *"base employment level"* means the number of full-time jobs an industry employs at the plant site which is covered by an agreement under chapter 260E on the date of that agreement.

Sec. 71. Section 422.11S, subsection 8, paragraph a, subparagraph (2), subparagraph division (b), subparagraph subdivision (i), Code 2021, is amended to read as follows:

(i) During any calendar year beginning on or after January 1, 2022, if the amount of awarded tax credits from the preceding calendar year ~~are~~ is equal to or greater than ninety percent of the total approved tax credits for the current calendar year, the total approved tax credits for the current calendar year shall equal the product of ten percent multiplied by the total approved tax credits for the current calendar year plus the total approved tax credits for the current calendar year.

Sec. 72. Section 422.25A, subsection 1, paragraph r, Code 2021, is amended to read as follows:

r. "Partnership level audit" means an examination by the

internal revenue service at the partnership level pursuant to subchapter C~~,~~ of title 26, subtitle F, chapter 63, of the Internal Revenue Code, as enacted by the Bipartisan Budget Act of 2015, Pub. L. No. 114-74, and as amended, which results in final federal partnership adjustments initiated and made by the internal revenue service.

Sec. 73. Section 422.29, subsection 1, Code 2021, is amended to read as follows:

1. Judicial review of actions of the director may be sought in accordance with the terms of the Iowa administrative procedure Act, chapter 17A. Notwithstanding the terms of ~~said Act~~ chapter 17A, petitions for judicial review may be filed in the district court of the county in which the petitioner resides, or in which the petitioner's principal place of business is located, or in the case of a nonresident not maintaining a place of business in this state either in any county in which the income involved was earned or derived or in Polk county, within sixty days after the petitioner shall have received notice of a determination by the director as provided for in section 422.28.

Sec. 74. Section 422.33, subsection 6, Code 2021, is amended to read as follows:

6. *a.* The taxes imposed under this subchapter shall be reduced by a new jobs tax credit. An industry which has entered into an agreement under chapter 260E and which has increased its base employment level by at least ten percent within the time set in the agreement or, in the case of an industry without a base employment level, adds new jobs within the time set in the agreement is entitled to this new jobs tax credit for the tax year selected by the industry. In determining if the industry has increased its base employment level by ten percent or added new jobs, only those new jobs directly resulting from the project covered by the agreement and those directly related to those new jobs shall be counted.

b. The amount of this credit is equal to the product of

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six percent of the taxable wages, as defined in section 96.1A, subsection 36, upon which an employer is required to contribute to the state unemployment compensation fund, ~~as defined in section 96.1A, subsection 36,~~ times the number of new jobs existing in the tax year that directly result from the project covered by the agreement or new jobs that directly result from those new jobs. The tax year chosen by the industry shall either begin or end during the period beginning with the date of the agreement and ending with the date by which the project is to be completed under the agreement. Any credit in excess of the tax liability for the tax year may be credited to the tax liability for the following ten tax years or until depleted in less than the ten years.

c. For purposes of this section, *"agreement"*, *"industry"*, *"new job"* and *"project"* mean the same as defined in section 260E.2 and *"base employment level"* means the number of full-time jobs an industry employs at the plant site which is covered by an agreement under chapter 260E on the date of that agreement.

Sec. 75. Section 422.72, subsection 1, paragraph a, subparagraph (1), Code 2021, is amended to read as follows:

(1) It is unlawful for the director, or any person having an administrative duty under this chapter, or any present or former officer or other employee of the state authorized by the director to examine returns, to willfully or recklessly divulge in any manner ~~whatever~~, the business affairs, operations, or information obtained by an investigation under this chapter of records and equipment of any person visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures or any particular thereof, set forth or disclosed in any return~~,~~; or to willfully or recklessly permit any return or copy of a return or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law.

Sec. 76. Section 455B.133B, subsection 5, paragraph d, subparagraph (2), unnumbered paragraph 1, Code 2021, is amended

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to read as follows:

Notwithstanding subparagraph (1), moneys in the air emission fee account are also appropriated to the department to pay for costs associated with implementing and administering regulatory activities, including programs, provided for in ~~division~~ this subchapter II ~~of this chapter~~, other than costs covered by any of the following:

Sec. 77. Section 455B.134, subsection 3, paragraph e, subparagraph (1), unnumbered paragraph 1, Code 2021, is amended to read as follows:

Notwithstanding any other provision of ~~division~~ this subchapter II ~~of this chapter~~ or chapter 459, subchapter II, the following siting requirements shall apply to anaerobic lagoons and earthen waste slurry storage basins:

Sec. 78. Section 455B.134, subsections 12 and 13, Code 2021, are amended to read as follows:

12. Review and evaluate air pollution control programs conducted by political subdivisions of the state with respect to whether the programs are consistent with the provisions of ~~division~~ this subchapter II ~~of this chapter~~ and chapter 459, subchapter II, and rules adopted by the commission.

13. Hold public hearings, except when the evidence to be received is confidential pursuant to section 455B.137, necessary to accomplish the purposes of ~~division~~ this subchapter II ~~of this chapter~~ and chapter 459, subchapter II. The director may issue subpoenas requiring the attendance of witnesses and the production of evidence pertinent to the hearings. A subpoena shall be issued and enforced in the same manner as in civil actions.

Sec. 79. Section 455B.138, subsection 1, Code 2021, is amended to read as follows:

1. When the director has evidence that a violation of any provision of ~~division~~ this subchapter II ~~of this chapter~~ or chapter 459, subchapter II, or rule, standard, or permit established or issued under ~~division~~ this subchapter II or

chapter 459, subchapter II, has occurred, the director shall notify the alleged violator and, by informal negotiation, attempt to resolve the problem. If the negotiations fail to resolve the problem within a reasonable period of time, the director shall issue an order directing the violator to prevent, abate, or control the emissions or air pollution involved. The order shall prescribe the date by which the violation shall cease and may prescribe timetables for necessary action to prevent, abate, or control the emissions of air pollution. The order may be appealed to the commission. The applicable time frames for the issuance and appeal of the order are defined in section 455B.110.

Sec. 80. Section 455B.140, Code 2021, is amended to read as follows:

455B.140 Judicial review.

Judicial review of actions of the commission or of the director may be sought in accordance with the terms of the Iowa administrative procedure Act, chapter 17A. Notwithstanding the terms of ~~said Act~~ chapter 17A, petitions for judicial review may be filed in the district court of the county in which the alleged offense was committed.

Sec. 81. Section 455B.143, subsection 1, Code 2021, is amended to read as follows:

1. The director shall promptly investigate the application and approve or disapprove the application. The director may grant a variance if the director finds ~~that~~ all of the following:

a. The emissions occurring or proposed to occur do not endanger or tend to endanger human health or safety or property~~; and~~.

b. Compliance with the rules or standards from which the variance is sought will produce serious hardship without equal or greater benefits to the public.

Sec. 82. Section 455B.145, Code 2021, is amended to read as follows:

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455B.145 Acceptance of local program.

When an air pollution control program conducted by a political subdivision, or a combination of them, is deemed upon review as provided in section 455B.134, to be consistent with the provisions of this ~~division~~ subchapter II or the rules established under this ~~division~~ subchapter II, the director shall accept such program in lieu of state administration and regulation of air pollution within the political subdivisions involved. This section shall not be construed to limit the power of the director to issue state permits and to take other actions consistent with this ~~division~~ subchapter II or the rules established under this ~~division~~ subchapter that the director deems necessary for the continued proper administration of the air pollution programs within the jurisdiction of the local air pollution program.

1. In evaluating an air pollution control program, consideration shall be given to whether such program provides for the following:

a. Ordinances, rules, and standards establishing requirements consistent with, or more strict than, those imposed by this ~~division~~ subchapter II or rules and standards adopted by the department.

b. Enforcement of such requirements by appropriate administrative and judicial process.

c. Administrative organization, staff, financial, and other resources necessary to administer an efficient and effective program.

d. Location of emission monitoring devices in areas of the political subdivision in compliance with uniform state standards adopted by the department. The department shall adopt uniform state standards for the location of emission monitoring devices specifying such intervals and such procedures to provide a reasonably consistent measurement of emissions from air contaminant sources regardless of the political subdivision of the state in which the sources may be

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located.

2. Upon acceptance of a local air pollution control program, the director shall issue a certificate of acceptance to the appropriate local agency.

a. Any political subdivision desiring a certificate of acceptance shall apply to the department on forms prescribed by the director.

b. The director shall promptly investigate the application and approve or disapprove the application. The director may conduct a public hearing before action is taken to approve or disapprove. If the director disapproves issuing a certificate, the political subdivision may appeal the action to the department of inspections and appeals. At the hearing on appeal, the department of inspections and appeals shall decide whether the local program is substantially consistent with the provisions of this ~~division~~ subchapter II, or rules adopted thereunder, and whether the local program is being enforced. The burden of proof shall be upon the political subdivision.

c. If the director determines at any time that a local air pollution program is being conducted in a manner inconsistent with the substantive provisions of this ~~division~~ subchapter II or the rules adopted ~~thereunder~~ under this subchapter II, the director shall notify the political subdivision, citing the deviations from the acceptable standards and the corrective measures to be completed within a reasonable amount of time. If the corrective measures are not implemented as prescribed, the director shall suspend in whole or in part the certificate of acceptance of such political subdivision and shall administer the regulatory provisions of ~~said division~~ this subchapter II in whole or in part within the political subdivision until the appropriate standards are met. Upon receipt of evidence that necessary corrective action has been taken, the director shall reinstate the suspended certificate of acceptance, and the political subdivision shall resume the administration of the local air pollution control program

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1 within its jurisdiction. In cases where the certificate of
2 acceptance is suspended, the political subdivision may appeal
3 the suspension to the department of inspections and appeals.
4 *d.* Nothing in this ~~division~~ subchapter II shall be construed
5 to supersede the jurisdiction of any local air pollution
6 control program in operation on the first of January, 1973,
7 except that any such program shall meet all requirements of
8 ~~said division~~ this subchapter II.
9 Sec. 83. Section 455B.146, Code 2021, is amended to read as
10 follows:
11 **455B.146 Civil action for compliance — local program**
12 **actions.**
13 If any order, permit, or rule of the department is being
14 violated, the attorney general shall, at the request of the
15 department or the director, institute a civil action in any
16 district court for injunctive relief to prevent any further
17 violation of the order, permit, or rule, or for the assessment
18 of a civil penalty as determined by the court, not to exceed
19 ten thousand dollars per day for each day such violation
20 continues, or both such injunctive relief and civil penalty.
21 Notwithstanding sections 331.302 and 331.307, a city or county
22 which maintains air pollution control programs authorized by
23 certificate of acceptance under this ~~division~~ subchapter II may
24 provide civil penalties consistent with the amount established
25 for such penalties under this ~~division~~ subchapter II.
26 Sec. 84. Section 455B.146A, subsections 1 and 2, Code 2021,
27 are amended to read as follows:
28 1. A person who knowingly violates any provision of ~~division~~
29 this subchapter II ~~of this chapter~~, any permit, rule, standard,
30 or order issued under ~~division~~ this subchapter II ~~of this~~
31 ~~chapter~~, or any condition or limitation included in any permit
32 issued under ~~division~~ this subchapter II ~~of this chapter~~,
33 is guilty of an aggravated misdemeanor. A conviction for a
34 violation is punishable by a fine of not more than ten thousand
35 dollars for each day of violation or by imprisonment for not

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more than two years, or both. If the conviction is for a second or subsequent violation committed by a person under this section, however, the conviction is punishable by a fine of not more than twenty thousand dollars for each day of violation or by imprisonment for not more than four years, or by both.

2. *a.* A person who knowingly makes any false statement, representation, or certification of any application, record, report, plan, or other document filed or required to be maintained under ~~division~~ this subchapter II ~~of this chapter~~, or by any permit, rule, standard, or order issued under ~~division~~ this subchapter II ~~of this chapter~~ or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under ~~division~~ this subchapter II ~~of this chapter~~, or by any permit, rule, standard, or order issued under ~~division~~ this subchapter II ~~of this chapter~~, or who knowingly fails to notify or report as required by ~~division~~ this subchapter II ~~of this chapter~~ or by any permit, rule, standard, or order issued under ~~division~~ this subchapter II ~~of this chapter~~, or by any condition or limitation included in any permit issued under ~~division~~ this subchapter II ~~of this chapter~~, is guilty of an aggravated misdemeanor punishable by a fine of not more than ten thousand dollars per day per violation or by imprisonment for not more than one year, or by both. If the conviction is for a second or subsequent violation committed by a person under this paragraph, however, the conviction is punishable by a fine of not more than twenty thousand dollars for each day of violation or by imprisonment for not more than two years, or by both.

b. A person who knowingly fails to pay any fee owed the state under any provision of ~~division~~ this subchapter II ~~of this chapter~~, or any permit, rule, standard, or order issued under ~~division~~ this subchapter II ~~of this chapter~~, is guilty of an aggravated misdemeanor punishable by a fine of not more than ten thousand dollars per day per violation or by imprisonment for not more than six months, or by both. If the conviction

is for a second or subsequent violation under this paragraph, however, the conviction is punishable by a fine of not more than twenty thousand dollars for each day of violation or by imprisonment for not more than one year, or by both.

Sec. 85. Section 455B.149, subsection 1, Code 2021, is amended to read as follows:

1. Upon application by the owner or operator of a fuel-burning stationary source, and after notice and opportunity for public hearing, the commission may petition the president, under section 110, subsection *"f"*, paragraph 1, of the federal Clean Air Act as amended through January 1, 1991, for a determination that a national or regional energy emergency exists. If the president determines an emergency exists, the commission may suspend any requirement of this ~~division~~ subchapter II or a rule or permit issued under this ~~division~~ subchapter II. A temporary emergency suspension under this subsection shall be issued only if there exists in the vicinity of the source a temporary emergency involving high levels of unemployment or loss of necessary energy supplies for residential buildings and if the unemployment or loss can be totally or partially alleviated by the suspension. Only one suspension may be issued for a source on the basis of the same set of circumstances or on the basis of the same emergency. A suspension shall remain in effect for a maximum of four months. The commission may include in a suspension a provision directing the director to delay for a period identical to the period of the suspension a compliance schedule or increment of progress to which the source is subject under section 455B.138, if the source is unable to comply with the schedule or increment solely because of the conditions on the basis of which the suspension was issued.

Sec. 86. Section 455B.171, subsections 28 and 36, Code 2021, are amended to read as follows:

28. *"Schedule of compliance"* means a schedule of remedial measures including an enforceable sequence of actions or

operations leading to compliance with any effluent standard, water quality standard, or any other requirement of this part 1 of ~~this division~~ subchapter III or any rule promulgated pursuant ~~thereto~~ to this subchapter.

36. *"Sewer system"* means pipelines or conduits, pumping stations, force mains, vehicles, vessels, conveyances, injection wells, and all other constructions, devices, and appliances appurtenant thereto used for conducting sewage or industrial waste or other wastes to a point of ultimate disposal or disposal to any water of the state. To the extent that they are not subject to section 402 of the federal Water Pollution Control Act, ditches, pipes, and drains that serve only to collect, channel, direct, and convey nonpoint runoff from precipitation are not considered as sewer systems for the purposes of this part 1 of ~~this division~~ subchapter III.

Sec. 87. Section 455B.173, subsection 2, paragraph b, Code 2021, is amended to read as follows:

b. If the federal environmental protection agency has promulgated an effluent standard or pretreatment standard pursuant to section 301, 306, or 307 of the federal Water Pollution Control Act, a pretreatment or effluent standard adopted pursuant to this section shall not be more stringent than the federal effluent or pretreatment standard for such source. This section may not preclude the establishment of a more restrictive effluent limitation in the permit for a particular point source if the more restrictive effluent limitation is necessary to meet water quality standards, the establishment of an effluent standard for a source or class of sources for which the federal environmental protection agency has not promulgated standards pursuant to section 301, 306, or 307 of the federal Water Pollution Control Act. Except as required by federal law or regulation, the commission shall not adopt an effluent standard more stringent with respect to any pollutant than is necessary to reduce the concentration of that pollutant in the effluent to the level due to natural causes,

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including the mineral and chemical characteristics of the land, existing in the water of the state to which the effluent is discharged. Notwithstanding any other provision of this part 1 of ~~this division~~ subchapter III or chapter 459, subchapter III, any new source, the construction of which was commenced after October 18, 1972, and which was constructed as to meet all applicable standards of performance for the new source or any more stringent effluent limitation required to meet water quality standards, shall not be subject to any more stringent effluent limitations during a ten-year period beginning on the date of completion of construction or during the period of depreciation or amortization of the pollution control equipment for the facility for the purposes of section 167 or 169 or both sections of the Internal Revenue Code, whichever period ends first.

Sec. 88. Section 455B.174, subsections 1 and 3, Code 2021, are amended to read as follows:

1. Conduct investigations of alleged water pollution or of alleged violations of this part 1 of ~~this division~~ subchapter III, chapter 459, subchapter III, chapter 459A, chapter 459B, or any rule adopted or any permit issued pursuant thereto upon written request of any state agency, political subdivision, local board of health, twenty-five residents of the state, as directed by the department, or as may be necessary to accomplish the purposes of this part 1 of ~~this division~~ subchapter III, chapter 459, subchapter III, chapter 459A, or chapter 459B.

3. Take any action or actions allowed by law which, in the director's judgment, are necessary to enforce or secure compliance with the provisions of this part 1 of ~~this division~~ subchapter III or chapter 459, subchapter III, or of any rule or standard established or permit issued pursuant thereto.

Sec. 89. Section 455B.174, subsection 4, paragraph a, subparagraph (1), unnumbered paragraph 1, Code 2021, is amended to read as follows:

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Approve or disapprove the plans and specifications for the construction of disposal systems or public water supply systems except for those sewer extensions and water supply distribution system extensions which are reviewed by a city or county public works department as set forth in section 455B.183. The director shall issue, revoke, suspend, modify, or deny permits for the operation, installation, construction, addition to, or modification of any disposal system or public water supply system except for sewer extensions and water supply distribution system extensions which are reviewed by a city or county public works department as set forth in section 455B.183. The director shall also issue, revoke, suspend, modify, or deny permits for the discharge of any pollutant, or for the use or disposal of sewage sludge. The permits shall contain conditions and schedules of compliance as necessary to meet the requirements of this part 1 of ~~this division~~ subchapter III or chapter 459, subchapter III, the federal Water Pollution Control Act and the federal Safe Drinking Water Act. A permit issued under this chapter for the use or disposal of sewage sludge is in addition to and must contain references to any other permits required under this chapter. The director shall not issue or renew a permit to a disposal system or a public water supply system which is not viable. If the director has reasonable grounds to believe that a disposal system or public water supply system is not viable, the department may require the system to submit a business plan as a means of determining viability. This plan shall include the following components:

Sec. 90. Section 455B.174, subsection 5, paragraph a, Code 2021, is amended to read as follows:

a. Periodically review permits and reports submitted by city and county public works departments in accordance with section 455B.183, subsection 3, to ensure such public works departments are complying with this part 1 of ~~this division~~ subchapter III. If a city or county public works department is not complying

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with section 455B.183 in reviewing plans and specifications or in granting permits or both, the department shall perform these functions in that jurisdiction until the city or county public works department is able to perform them. Performance of these functions in a jurisdiction by a local public works department shall not be suspended or revoked until after notice and opportunity for hearing as provided in chapter 17A.

Sec. 91. Section 455B.175, Code 2021, is amended to read as follows:

455B.175 Violations.

1. If there is substantial evidence that any person has violated or is violating any provision of, or any rule or standard established or permit issued pursuant to, this part 1 of ~~this division~~ subsection III, chapter 459, subchapter III, chapter 459A, or chapter 459B, ~~or of any rule or standard established or permit issued pursuant thereto;~~ then one of the following may apply:

a. The director may issue an order directing the person to desist in the practice which constitutes the violation or to take such corrective action as may be necessary to ensure that the violation will cease. The person to whom such order is issued may cause to be commenced a contested case within the meaning of the Iowa administrative procedure Act, chapter 17A, by filing with the director a notice of appeal to the commission. The applicable time frames for the issuance and appeal of the order are defined in section 455B.110. On appeal the commission may affirm, modify, or vacate the order of the director~~; or~~.

b. If it is determined by the director that an emergency exists respecting any matter affecting or likely to affect the public health, the director may issue any order necessary to terminate the emergency without notice and without hearing. Any such order shall be binding and effective immediately and until such order is modified or vacated at a hearing before the commission or by a court~~; or~~.

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c. The director, with the approval of the commission, may request the attorney general to institute legal proceedings pursuant to section 455B.191 or 459.604.

2. Notwithstanding the limitations on civil and criminal penalty amounts in sections 331.302 and 331.307, a county that has entered into an agreement with the department pursuant to sections 455B.174 and 455B.183 regarding the construction of semipublic sewage disposal systems may assess civil penalties in amounts consistent with and not exceeding the amounts established for such penalties under this ~~division~~ subchapter III.

Sec. 92. Section 455B.177, subsection 1, Code 2021, is amended to read as follows:

1. The general assembly finds and declares that because the federal Water Pollution Control Act provides for a permit system to regulate the discharge of pollutants into the waters of the United States and provides that permits may be issued by states which are authorized to implement that Act, it is in the interest of the people of Iowa to enact this part 1 of this ~~division~~ subchapter III in order to authorize the state to implement the federal Water Pollution Control Act, and federal regulations and guidelines issued pursuant to that Act.

Sec. 93. Section 455B.179, Code 2021, is amended to read as follows:

455B.179 Trade secrets protected.

Upon a satisfactory showing by any person to the director that public disclosure of any record, report, permit, permit application, or other document or information or part thereof would divulge methods or processes entitled to protection as a trade secret, any such record, report, permit, permit application, or other document or part thereof other than effluent data and analytical results of monitoring of public water supply systems, shall be accorded confidential treatment. Notwithstanding the provisions of chapter 22, a person in connection with duties or employment by the department shall

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not make public any information accorded confidential status; however, any such record or other information accorded confidential status may be disclosed or transmitted to other officers, employees, or authorized representatives of this state or the United States concerned with carrying out this part 1 of ~~this division~~ subchapter III; chapter 459, subchapter III; or chapter 459A; or when relevant in any proceeding under this part 1 of ~~this division~~ subchapter III; chapter 459, subchapter III; or chapter 459A.

Sec. 94. Section 455B.182, Code 2021, is amended to read as follows:

455B.182 Failure constitutes contempt.

Failure to obey any order issued by the department with reference to a violation of this part 1 of this ~~division~~ subchapter III; chapter 459, subchapter III; chapter 459A; chapter 459B; or any rule promulgated or permit issued pursuant thereto shall constitute prima facie evidence of contempt. In such event the department may certify to the district court of the county in which such alleged disobedience occurred the fact of such failure. The district court after notice, as prescribed by the court, to the parties in interest shall then proceed to hear the matter and if it finds that the order was lawful and reasonable, it shall order the party to comply with the order. If the person fails to comply with the court order, that person shall be guilty of contempt and shall be fined not to exceed five hundred dollars for each day that the person fails to comply with the court order. The penalties provided in this section shall be considered as additional to any penalty which may be imposed under the law relative to nuisances or any other statute relating to the pollution of any waters of the state or related to public water supply systems and a conviction under this section shall not be a bar to prosecution under any other penal statute.

Sec. 95. Section 455B.183A, subsection 1, Code 2021, is amended to read as follows:

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1. A water quality protection fund is created in the state treasury under the control of the department. The fund consists of moneys appropriated to the fund by the general assembly, moneys deposited into the fund from fees described in subsection 2, moneys deposited into the fund from fees collected pursuant to sections 455B.187 and 455B.190A, and other moneys available to and obtained or accepted by the department from the United States government or private sources for placement in the fund. The fund is divided into the public water supply system account and the private water supply system account. Moneys in the public water supply system account are appropriated to the department for purposes of carrying out the provisions of this ~~division~~ subchapter III, which relate to the administration, regulation, and enforcement of the federal Safe Drinking Water Act, and to support the program to assist supply systems, as provided in section 455B.183B. Moneys in the private water supply system account are appropriated to the department for the purpose of supporting the programs established to protect private drinking water supplies as provided in sections 455B.187, 455B.188, 455B.190, and 455B.190A.

Sec. 96. Section 455B.183C, Code 2021, is amended to read as follows:

455B.183C Personnel — department of management.

Notwithstanding any limitation upon the department's number of full-time equivalent positions as defined in section 8.36A, any point limitation on personnel, or any other limitation upon the number of personnel or their employment classification, imposed by the department of management, the department may employ the number of full-time equivalent positions which equals the number of positions allocated by the general assembly to the department for each applicable fiscal year in order to carry out the provisions of this ~~division~~ subchapter III relating to the administration, regulation, and enforcement of the federal Safe Drinking Water Act and

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the program to assist supply systems, but only to the extent that moneys used to support the positions derive from moneys deposited in the water quality protection fund, as provided in section 455B.183A. If a specific number of full-time equivalent positions are not allocated by the general assembly, the department may fill any number of positions required to administer the program, to the extent the positions are supported by the fund.

Sec. 97. Section 455B.191, subsections 2, 4, 5, and 6, Code 2021, are amended to read as follows:

2. Any person who violates any provision of this part 1 of ~~division~~ subchapter III ~~of this chapter~~ or any permit, rule, standard, or order issued under this part 1 of ~~division~~ subchapter III ~~of this chapter~~ shall be subject to a civil penalty not to exceed five thousand dollars for each day of such violation.

4. Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan or other document filed or required to be maintained under this part 1 of ~~division~~ subchapter III ~~of this chapter~~, or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this part 1 of ~~division~~ subchapter III ~~of this chapter~~ or by any permit, rule, regulation, or order issued under this part 1 of ~~division~~ subchapter III ~~of this chapter~~, shall upon conviction be punished by a fine of not more than ten thousand dollars or by imprisonment in the county jail for not more than six months or by both such fine and imprisonment.

5. The attorney general shall, at the request of the director with approval of the commission, institute any legal proceedings, including an action for an injunction or a temporary injunction, necessary to enforce the penalty provisions of this part 1 of ~~division~~ subchapter III ~~of this chapter~~ or to obtain compliance with the provisions of this part 1 of ~~division~~ subchapter III ~~of this chapter~~ or any rules

promulgated or any provision of any permit issued under this part 1 of ~~division~~ subchapter III ~~of this chapter~~. In any such action, any previous findings of fact of the director or the commission after notice and hearing shall be conclusive if supported by substantial evidence in the record when the record is viewed as a whole.

6. In all proceedings with respect to any alleged violation of the provisions of this part 1 of ~~division~~ subchapter III or any rule established by the commission or the department, the burden of proof shall be upon the commission or the department except in an action for contempt as provided in section 455B.182.

Sec. 98. Section 455B.192, Code 2021, is amended to read as follows:

455B.192 Local government — penalties.

Notwithstanding sections 331.302, 331.307, 364.3, and 364.22, a city or county may assess a civil penalty for a violation of this ~~division~~ subchapter III which is equal to the amount the department has assessed for a violation under this ~~division~~ subchapter III.

Sec. 99. Section 455B.219, subsection 8, Code 2021, is amended to read as follows:

8. Willful or repeated violations of ~~division~~ this subchapter III ~~of this chapter~~.

Sec. 100. Section 455B.224, Code 2021, is amended to read as follows:

455B.224 Simple misdemeanor.

Any person, including any firm, corporation, municipal corporation, or other governmental subdivision or agency, violating any provisions of this part 2 of ~~division~~ subchapter III or the rules adopted ~~thereunder~~ under this part after written notice thereof by the executive director is guilty of a simple misdemeanor. Each day of operation in such violation of ~~said~~ this part or any rules adopted ~~thereunder~~ under this part shall constitute a separate offense. It shall be the duty

of the appropriate county attorney to secure injunctions of continuing violations of any provisions of ~~said~~ this part or the rules adopted ~~thereunder~~ under this part.

Sec. 101. Section 455B.307, Code 2021, is amended to read as follows:

455B.307 Dumping — where prohibited — penalty.

1. A private agency or public agency shall not dump or deposit or permit the dumping or depositing of any solid waste at any place other than a sanitary disposal project approved by the director unless the agency has been granted a permit by the department which allows the dumping or depositing of solid waste on land owned or leased by the agency. The department shall adopt rules regarding the permitting of this activity which shall provide that the public interest is best served, but which may be based upon criteria less stringent than those regulating a public sanitary disposal project provided that the rules adopted meet the groundwater protection goal specified in section 455E.4. The comprehensive plans for these facilities may be varied in consideration of the types of sanitary disposal practices, hydrologic and geologic conditions, construction and operations characteristics, and volumes and types of waste handled at the disposal site. The director may issue temporary permits for dumping or disposal of solid waste at disposal sites for which an application for a permit to operate a sanitary disposal project has been made and which have not met all of the requirements of part 1 of this ~~division~~ subchapter IV and the rules adopted by the commission if a compliance schedule has been submitted by the applicant specifying how and when the applicant will meet the requirements for an operational sanitary disposal project and the director determines the public interest will be best served by granting such temporary permit.

2. The director may issue any order necessary to secure compliance with or prevent a violation of the provisions of this part 1 of ~~division~~ subchapter IV or the rules adopted

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pursuant to the part. The attorney general shall, on request of the department, institute any legal proceedings necessary in obtaining compliance with an order of the commission or the director or prosecuting any person for a violation of the provisions of the part or rules issued pursuant to ~~the~~ this part.

3. Any person who violates any provision of part 1 of this ~~division~~ subchapter IV or any rule or any order adopted or the conditions of any permit or order issued pursuant to part 1 of this ~~division~~ subchapter IV shall be subject to a civil penalty, not to exceed five thousand dollars for each day of such violation.

Sec. 102. Section 455B.307A, subsection 4, Code 2021, is amended to read as follows:

4. This section shall not apply to the discarding of litter regulated under ~~chapter 455B, division~~ subchapter IV, part 3, and local littering ordinances.

Sec. 103. Section 455B.396, subsection 1, Code 2021, is amended to read as follows:

1. Liability to the state under this part 4 or part 5 of this ~~division~~ subchapter IV is a debt to the state. Liability to a political subdivision under this part 4 of this ~~division~~ subchapter IV is a debt to the political subdivision. The debt, together with interest on the debt at the maximum lawful rate of interest permitted pursuant to section 535.2, subsection 3, paragraph *"a"*, from the date costs and expenses are incurred by the state or a political subdivision is a lien on real property, except single and multifamily residential property, on which the department incurs costs and expenses creating a liability and owned by the persons liable under this part 4 or part 5. To perfect the lien, a statement of claim describing the property subject to the lien must be filed within one hundred twenty days after the incurrence of costs and expenses by the state or a political subdivision. The statement shall be filed with, accepted by, and recorded

by the county recorder in the county in which the property subject to the lien is located. The statement of claim may be amended to include subsequent liabilities. To be effective, the statement of claim shall be amended and filed within one hundred twenty days after the occurrence of the event resulting in the amendment.

Sec. 104. Section 455B.423, subsection 2, paragraph a, subparagraph (3), Code 2021, is amended to read as follows:

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

Sec. 105. Section 455B.477, subsection 7, Code 2021, is amended to read as follows:

7. The civil penalties or other damages or moneys recovered by the state or the petroleum underground storage tank fund in connection with a petroleum underground storage tank under this part 8 of ~~this division~~ subchapter IV or chapter 455G shall be credited to the fund created in section 455G.3 and allocated between fund accounts according to the fund budget. Any federal moneys, including but not limited to federal underground storage tank trust fund moneys, received by the state or the department of natural resources in connection with a release occurring on or after May 5, 1989, or received generally for underground storage tank programs on or after May 5, 1989, shall be credited to the fund created in section 455G.3 and allocated between fund accounts according to the fund budget, unless such use would be contrary to federal law. The department shall cooperate with the board of the Iowa comprehensive petroleum underground storage tank fund to maximize the state's eligibility for and receipt of federal funds for underground storage tank related purposes.

Sec. 106. Section 455B.751, unnumbered paragraph 1, Code 2021, is amended to read as follows:

As used in this ~~division~~ subchapter X, unless the context otherwise requires:

Sec. 107. Section 455B.754, Code 2021, is amended to read

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as follows:

455B.754 Legal responsibility.

This ~~division~~ subchapter X shall not be interpreted to affect the legal responsibility to the state to conduct response actions under any applicable state law. This ~~division~~ subchapter X shall not be interpreted to affect or provide immunity from any criminal liability.

Sec. 108. Section 455B.801, Code 2021, is amended to read as follows:

455B.801 Short title.

This ~~division~~ subchapter XI shall be known and may be cited as the *"Mercury-Free Recycling Act"*.

Sec. 109. Section 455B.802, unnumbered paragraph 1, Code 2021, is amended to read as follows:

As used in this ~~division~~ subchapter XI, unless the context otherwise requires:

Sec. 110. Section 455B.803, subsection 2, paragraph b, subparagraph (9), Code 2021, is amended to read as follows:

(9) The program shall not include inaccessible mercury-added switches from end-of-life vehicles with significant damage to the vehicle in the area surrounding the mercury-added switch location. All accessible mercury-added switches are expected to be collected under the provisions of this ~~division~~ subchapter XI.

Sec. 111. Section 455B.803, subsection 2, paragraph e, Code 2021, is amended to read as follows:

e. On July 1, 2020, the commission shall cease enforcement of the removal, collection, and recovery plans under this section. On or before July 1, 2020, the commission shall review the mercury-added switch removal, collection, and recovery portion of this ~~division~~ subchapter XI and submit a recommendation to the general assembly regarding the necessity of continuing the enforcement of the removal, collection, and recovery plans under this section.

Sec. 112. Section 455B.805, Code 2021, is amended to read

as follows:

455B.805 General compliance with other provisions.

Except as expressly provided in this ~~division~~ subchapter XI, compliance with this ~~division~~ subchapter XI shall not exempt a person from compliance with any other law.

Sec. 113. Section 455B.806, Code 2021, is amended to read as follows:

455B.806 Regulations.

The commission shall adopt rules pursuant to chapter 17A as necessary to implement the provisions of this ~~division~~ subchapter XI.

Sec. 114. Section 455B.807, subsection 2, Code 2021, is amended to read as follows:

2. Publication of all required plans, information, reports, and educational materials under this ~~division~~ subchapter XI shall be through no less than two types of media available to the general public. One medium must be available twenty-four hours per day, seven days per week, and maintained with current information. Acceptable types of media include but are not limited to internet sites, periodicals, journals, and other publicly available media in the state.

Sec. 115. Section 458A.21, subsection 1, Code 2021, is amended to read as follows:

1. The state, counties, ~~and~~ cities, and other political subdivisions may lease publicly owned lands under their respective jurisdictions for the purpose of oil or gas or metallic minerals exploration and production. Any such leases shall be entered into on behalf of the state by the executive council, on behalf of a county by the board of supervisors, on behalf of a city by the council, and on behalf of another political subdivision by the governing body. The leases shall be upon terms and conditions as agreed upon.

Sec. 116. Section 458A.25, Code 2021, is amended to read as follows:

458A.25 Liens for labor or materials and of contractor and

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subcontractor — manner of perfecting liens — enforcement of liens.

Provisions of chapter 572 as to mechanic's liens or labor and materials furnished for improvements on real estate and of contractors and subcontractors shall apply to labor and materials furnished for gas or oil wells, or pipe lines~~, and such~~. The liens shall not attach on the real estate, but shall attach to the whole of the lease held, and upon the gas or oil wells, buildings and appurtenances, and pipe lines for which said labor or materials were furnished, and shall be perfected and enforced as provided by ~~said~~ chapter 572.

Sec. 117. Section 459.202, subsection 1, paragraph b, unnumbered paragraph 1, Code 2021, is amended to read as follows:

The following table represents the minimum separation distance in feet required between a confinement feeding operation structure and a residence not owned by the owner of the confinement feeding operation, or a commercial enterprise, a bona fide religious institution, or an educational institution:

Sec. 118. Section 459.202, subsection 2, paragraph b, unnumbered paragraph 1, Code 2021, is amended to read as follows:

The following table represents the minimum separation distance in feet required between a confinement feeding operation structure and a residence not owned by the owner of the confinement feeding operation, or a commercial enterprise, a bona fide religious institution, or an educational institution:

Sec. 119. Section 459.304, subsection 3, paragraph c, Code 2021, is amended to read as follows:

c. In completing the master matrix, the board shall not score criteria on a selective basis. The board must score all criteria which ~~is~~ are part of the master matrix according to the terms and conditions relating to construction as specified

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in the application or commitments for manure management that are to be incorporated into a manure management plan as provided in section 459.312.

Sec. 120. Section 462A.8, Code 2021, is amended to read as follows:

462A.8 Transmittal of information.

When any request is duly made by an authorized official or agency of the United States, any information compiled or otherwise available to the commission under this chapter~~, such information~~ shall be transmitted to ~~said~~ that official or agency.

Sec. 121. Section 481A.98, Code 2021, is amended to read as follows:

481A.98 Reporting violations.

Each fur dealer shall report to the commission~~,~~ the name of any person, if known to the dealer, who attempts to sell any skins or hides which appear to have been unlawfully taken~~,~~ or possessed by that person.

Sec. 122. Section 483A.1A, subsection 2, Code 2021, is amended to read as follows:

2. *"Commission"* means the natural resource commission created under section 455A.5.

Sec. 123. Section 483A.24, subsection 7, Code 2021, is amended to read as follows:

7. A license shall not be required of minor pupils of the ~~state school for the blind~~ Iowa braille and sight saving school, Iowa school for the deaf, or of minor residents of other state institutions under the control of an administrator of a division of the department of human services. In addition, a person who is on active duty with the armed forces of the United States, on authorized leave from a duty station located outside of this state, and a resident of the state of Iowa shall not be required to have a license to hunt or fish in this state. The military person shall carry the person's leave papers and a copy of the person's current earnings statement

showing a deduction for Iowa income taxes while hunting or fishing. In lieu of carrying the person's earnings statement, the military person may also claim residency if the person is registered to vote in this state. If a deer or wild turkey is taken, the military person shall immediately contact a state conservation officer to obtain an appropriate tag to transport the animal. A license shall not be required of residents of county care facilities or any person who is receiving supplementary assistance under chapter 249.

Sec. 124. Section 508.36, subsection 6, paragraph b, subparagraph (1), subparagraph division (a), Code 2021, is amended to read as follows:

(a) For life insurance,

$$I \text{ equals } .03 + W(R1 - .03) + \cancel{2}\ \underline{(W/2)\ x}\ (R2 - .09),$$

where R1 is the lesser of R and .09, R2 is the greater of R and .09, R is the reference interest rate defined in paragraph *"d"* of this subsection, and W is the weighting factor defined in paragraph *"c"* of this subsection.

Sec. 125. Section 509.2, unnumbered paragraph 1, Code 2021, is amended to read as follows:

No policy of group life insurance shall be delivered in this state unless it contains in substance the following provisions, or provisions which in the opinion of the commissioner are more favorable to the persons insured or at least as favorable to the persons insured, and more favorable to the policyholder, provided, however, that provisions of subsections 6 ~~to~~ through 10~~, inclusive, of this section~~ shall not apply to policies issued to a creditor to insure debtors of such creditor; that the standard provisions required for individual life insurance policies shall not apply to group life insurance policies; and that if the group life insurance policy is on a plan of insurance other than the term plan, it shall contain a nonforfeiture provision or provisions which in the opinion of the commissioner is or are equitable to the insured persons

and to the policyholder, but nothing herein shall be construed to require that group life insurance policies contain the same nonforfeiture provisions as are required for individual life insurance policies:

Sec. 126. Section 509.2, subsection 7, Code 2021, is amended to read as follows:

7. A provision that the insurer will issue to the policyholder for delivery to each person insured an individual certificate setting forth a statement as to the insurance protection to which the person is entitled, to whom the insurance benefits are payable, and the rights and conditions set forth in subsections 8 ~~to~~ through 10~~, inclusive,~~ following if applicable.

Sec. 127. Section 515.4, Code 2021, is amended to read as follows:

515.4 Name.

If the commissioner of insurance finds the name of the company to be so similar to one already appropriated by a corporation of the same character as to be likely to mislead the public or to cause inconvenience, the commissioner shall refuse the commissioner's certificate to ~~its~~ the company's articles on that ground.

Sec. 128. Section 515D.6, Code 2021, is amended to read as follows:

515D.6 Prohibited reasons.

1. ~~No~~ An insurer shall not refuse to renew a policy solely because of age, residence, sex, race, color, creed, or occupation of an insured.

2. ~~No~~ An insurer shall not require a physical examination of a policyholder as a condition for renewal solely on the basis of age or other arbitrary reason. In the event that an insurer requires a physical examination of a policyholder, the burden of proof in establishing reasonable and sufficient grounds for ~~such~~ the requirement shall rest with the insurer and the expenses incident to ~~such~~ the examination shall be borne by the

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insurer.

Sec. 129. Section 518B.5, Code 2021, is amended to read as follows:

518B.5 Warrants issued — overage fund.

1. The secretary shall be reimbursed up to the amount requested by warrants issued against the fund by the director of the department of administrative services upon vouchers approved by the director of the department of administrative services and the commissioner. If the assessment produces a fund greater than the amount requested by the secretary, the overage shall be placed in a special fund in the office of the treasurer of state under the control of the commissioner and the director of the department of administrative services and shall be applied to any subsequent requests by the secretary for reimbursement of losses paid on lines of insurance reinsured by the secretary in this state in accordance with the Act.

2. In the event that the provisions of this chapter and the assessments made ~~thereunder~~ under this chapter are no longer needed in order to effectuate the program for which they were intended, the amounts remaining in the special fund shall inure to the general fund of the state.

Sec. 130. Section 521A.2, subsection 1, paragraph 1, Code 2021, is amended to read as follows:

1. Owning a corporation or corporations engaged or organized to engage exclusively in one or more of the businesses specified in paragraphs *"a"* ~~to~~ through *"k"* ~~inclusive~~.

Sec. 131. Section 523C.9, subsection 3, Code 2021, is amended to read as follows:

3. The service company has without just cause refused to perform or negligently or incompetently performed services required to be performed under its service contracts and the refusal, or negligent or incompetent performance, has occurred with such frequency, as determined by the commissioner, as to indicate the general business practices of the service company.

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Sec. 132. Section 537.1201, subsection 1, paragraph a, unnumbered paragraph 1, Code 2021, is amended to read as follows:

A transaction, or acts, practices, or conduct with respect to a transaction, if the transaction is entered into in this state, except that a transaction involving other than open-end credit or acts, practices, or conduct with respect to such a transaction shall not subject any person to damages or penalty under article 5 of this chapter, or administrative enforcement under article 6, part 1~~.~~:

Sec. 133. Section 543C.1, subsection 1, Code 2021, is amended to read as follows:

1. *"Advertisement"* means the attempt by~~,~~ dissemination, solicitation, or circulation to ~~induce~~ directly or indirectly induce any person to enter into any obligation or acquire any title or interest in land offered for sale or lease~~,~~ to the public in this state.

Sec. 134. Section 551.6, Code 2021, is amended to read as follows:

551.6 Enforcement.

It shall be the duty of the county attorneys, in their counties, and the attorney general, to enforce the provisions of sections 551.1 ~~to~~, 551.2, 551.4, and 551.5, ~~inclusive,~~ by appropriate actions in courts of competent jurisdiction.

Sec. 135. Section 556E.6, Code 2021, is amended to read as follows:

556E.6 Tests for articles.

In any test for the ascertainment of the fineness of any such article mentioned in this and sections 556E.3 ~~to~~ through 556E.5~~, inclusive~~, according to the foregoing standards, the part of the article taken for the test shall be such portion as does not contain or have attached thereto any solder or alloy of inferior metal used for brazing or uniting the parts of such article, and provided further and in addition to the foregoing test and standards, that the actual fineness of the

entire quantity of metal purporting to be silver contained in any article mentioned in sections 556E.3 ~~to~~ through 556E.5~~, inclusive~~, including all solder or alloy of inferior fineness used for brazing or uniting the parts of any such article, all such silver, alloy, or solder being assayed as one piece, shall not be less by more than ten one-thousandths parts than the fineness indicated according to the foregoing standards, by the mark stamped, branded, engraved, or imprinted upon such article, or upon any tag, card, or label attached thereto, or upon any container in which said article is enclosed.

Sec. 136. Section 557C.2, Code 2021, is amended to read as follows:

557C.2 Definitions.

As used in this chapter, unless the context otherwise requires~~, *"book"*,~~:

1. *"Book"*, *"list"*, *"record"*, or *"schedule"* kept by a county auditor, assessor, treasurer, recorder, sheriff, or other county officer means the county system as defined in section 445.1.

2. ~~A *"mineral*~~ *"Mineral interest in coal"* means an interest created by an instrument which creates or transfers either by grant, assignment, reservation, or otherwise, an interest of any kind in coal, as described in chapter 207, without limitation on the manner of mining the coal.

Sec. 137. Section 573.6, Code 2021, is amended to read as follows:

573.6 Subcontractors on public improvements.

The following provisions shall be held to be a part of every bond given for the performance of a contract for the construction of a public improvement, whether said provisions be inserted in such bond or not, to wit:

~~1.~~ [1] The principal and sureties on this bond hereby agree to pay to all persons, firms, or corporations having contracts directly with the principal or with subcontractors, all just claims due them for labor performed or materials furnished, in

the performance of the contract on account of which this bond is given, when the same are not satisfied out of the portion of the contract price which the public corporation is required to retain until completion of the public improvement, but the principal and sureties shall not be liable to said persons, firms, or corporations unless the claims of said claimants against said portion of the contract price shall have been established as provided by law.

~~2.~~ [2] Every surety on this bond shall be deemed and held, any contract to the contrary notwithstanding, to consent without notice:

~~a.~~ [a] To any extension of time to the contractor in which to perform the contract.

~~b.~~ [b] To any change in the plans, specifications, or contract, when such change does not involve an increase of more than twenty percent of the total contract price, and shall then be released only as to such excess increase.

~~c.~~ [c] That no provision of this bond or of any other contract shall be valid which limits to less than one year from the time of the acceptance of the work the right to sue on this bond for defects in the quality of the work or material not discovered or known to the obligee at the time such work was accepted.

Sec. 138. Section 588.1, Code 2021, is amended to read as follows:

588.1 Failure to make proper entries.

All execution sales heretofore had wherein the execution officer has failed to endorse on the execution the day and hour when received, the levy, sale, or other act done by virtue thereof, with the date thereof, the dates and amounts of any receipts or payment in satisfaction thereof at the time of the receipt or act done, or has failed to endorse thereon, an exact description of the property levied upon at length with the date of levy, be and the same are hereby legalized and declared to be legal and valid as if all of the provisions of laws as

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required by sections 11664 ~~to~~ through 11668.1 ~~[Code 1939], both inclusive~~, Code 1939, had been in all respects strictly and fully complied with.

Sec. 139. Section 590.1, Code 2021, is amended to read as follows:

590.1 Notice of appointment of executors.

1. In all instances prior to January 1, 1964, where executors or administrators have failed to publish notice of their appointment as required by section 3304, Code of 1897, and section 11890, Codes of 1924 ~~to~~ through 1939, ~~inclusive,~~ and section 633.46, Codes 1946 ~~to~~ through 1962, ~~inclusive,~~ but have published a notice of appointment, such notice of appointment is hereby legalized and shall have the same force and effect as though the same had been published as directed by the court or clerk.

2. In all instances where more than five years have passed since the appointment of a personal representative or probate of a will without administration, where administrators have failed to publish notice of their appointment as required by section 633.230, and executors have failed to publish a notice of admission of the will to probate and their appointment as required by sections 633.304 and 633.305, but have published a notice of appointment or notice of admission of the will to probate and of the appointment of the executor, such notice of appointment or notice of admission of the will to probate and of the appointment of the executor, is hereby legalized and shall have the same force and effect as though the same had been published as required.

Sec. 140. Section 592.4, Code 2021, is amended to read as follows:

592.4 Making and recording plats.

The acts of the county auditors of Iowa, in making and recording plats as authorized under sections 922, 923, and 924 of the Code~~,~~ of 1897, and sections 6289 ~~to~~ through 6299~~, inclusive,~~ of subsequent Codes to and including the Code~~,~~ of

1939, without first having properly signed or acknowledged the same, and the acts of the county recorders of Iowa in recording such plats, are hereby legalized and the same declared valid and binding the same as though they had in such respects been made and recorded in strict compliance with law.

Sec. 141. Section 602.8108, subsection 7, paragraph b, unnumbered paragraph 1, Code 2021, is amended to read as follows:

The moneys in the fund shall be used to enhance the ability of the judicial branch to process cases more quickly and efficiently, to electronically transmit information to state government, local governments, law enforcement agencies, and the public, and to improve public access to the court system. The moneys in the ~~collection~~ fund may also be used for any of the following:

Sec. 142. Section 621.4, Code 2021, is amended to read as follows:

621.4 Dismissal for failure to furnish.

An action in which a bond for costs is required by sections 621.1 ~~to~~ through 621.3~~, inclusive,~~ shall be dismissed, if a bond is not given in such time as the court allows.

Sec. 143. Section 621.5, Code 2021, is amended to read as follows:

621.5 Becoming nonresident.

If the plaintiff or any intervenor in an action, after its institution and at any time before its final determination, becomes a nonresident of this state, the plaintiff or intervenor may be required to give security for costs in the manner provided in sections 621.1 ~~to~~ through 621.4~~, inclusive~~.

Sec. 144. Section 622.10, subsection 3, paragraph e, Code 2021, is amended to read as follows:

e. Defendant's counsel shall provide a written notice to plaintiff's attorney in a manner consistent with the Iowa rules of civil procedure providing for notice of deposition at least ten days prior to any meeting with plaintiff's physician

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or surgeon, physician assistant, advanced registered nurse practitioner, or mental health professional. Plaintiff's attorney has the right to be present at all such meetings, or participate in telephonic communication with the physician or surgeon, physician assistant, advanced registered nurse practitioner, or mental health professional and the attorney for the defendant. Prior to scheduling any meeting or engaging in any communication with the physician or surgeon, physician assistant, advanced registered nurse practitioner, or mental health professional, the attorney for the defendant shall confer with plaintiff's attorney to determine a mutually convenient date and time for such meeting or telephonic communication. Plaintiff's attorney may seek a protective order structuring all communication by making application to the court at any time.

Sec. 145. Section 633.402, Code 2021, is amended to read as follows:

633.402 Sale defined.

For purposes of this part, sale of property includes but is not limited to the granting of an easement, the granting of an option, the granting of a right of refusal, and the granting or conveyance of any other interest, title, or right regarding property.

Sec. 146. Section 633.563, subsection 1, unnumbered paragraph 1, Code 2021, is amended to read as follows:

At or before a hearing on a petition for the appointment of a guardian or conservator or the modification or termination of a guardianship or conservatorship, the court shall order a professional evaluation of the respondent unless one of the following criteria ~~are~~ is met:

Sec. 147. Section 802.9, Code 2021, is amended to read as follows:

802.9 Indictment or information where a defect is found.

If a defect, error, or irregularity is discovered in any indictment or information which, on motion of either party,

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1 causes ~~same~~ the indictment or information to be dismissed or
2 the prosecution to be set aside or reversed on appeal, a new
3 indictment or information may be found within thirty days after
4 such action notwithstanding the time limitations enumerated in
5 this chapter.
6 Sec. 148. 2020 Iowa Acts, chapter 1102, section 16, is
7 amended to read as follows:
8 SEC. 16. Section 270.1, Code 2020, is amended to read as
9 follows:
10 **270.1 Superintendent.**
11 The superintendent of the Iowa school for the deaf shall
12 be a trained and experienced educator of the deaf and hard of
13 hearing. The superintendent's salary may include residence in
14 the institution, but no such allowance shall be made except by
15 express contract in advance.
16 Sec. 149. 2020 Iowa Acts, chapter 1108, section 2, is
17 amended to read as follows:
18 SEC. 2. Section 256.16, subsection 1, paragraph c, Code
19 2020, is amended to read as follows:
20 *c.* Include in the professional education program,
21 preparation that contributes to the education of students
22 with disabilities and students who are gifted and talented,
23 preparation in developing and implementing individualized
24 education programs and behavioral intervention plans,
25 preparation for educating individuals in the least restrictive
26 environment and identifying that environment, ~~and~~ strategies
27 that address difficult and violent student behavior and
28 improve academic engagement and achievement, and preparation in
29 classroom management addressing high-risk behaviors including
30 but not limited to behaviors related to substance abuse.
31 Preparation required under this paragraph must be successfully
32 completed before graduation from the practitioner preparation
33 program.
34 DIVISION II
35 CODE EDITOR DIRECTIVES

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1 Sec. 150. CODE EDITOR DIRECTIVES.
2 1. a. The Code editor shall change Arabic numeral
3 subchapter designations to Roman numeral subchapter
4 designations in the following Code chapters:
5 (1) Chapter 190C.
6 (2) Chapter 216A.
7 (3) Chapter 455H.
8 (4) Chapter 554D.
9 (5) Chapter 637.
10 b. In addition to making changes throughout the 2021 version
11 of the Iowa Code, the Code editor is directed to make changes
12 in any Code sections amended or enacted by any other Act to
13 correspond with the changes made in this section of this Act
14 if there appears to be no doubt as to the proper method of
15 making the changes and the changes would not be contrary to or
16 inconsistent with the purposes of this Act or any other Act.
17 2. a. The Code editor is directed to make the following
18 transfers:
19 (1) Section 232.152 to section 232.7A.
20 (2) Section 232.153 to section 232.7B.
21 b. The Code editor shall correct internal references in the
22 Code and in any enacted legislation as necessary due to the
23 enactment of this section.
24 3. The Code editor may change chapter division designations
25 to subchapter designations and correct internal reference as
26 necessary in and to chapter 455B.
27 4. Sections 101.10, 455B.135, 455B.137, 455B.142, 455B.185,
28 455B.223, 455B.336, 455B.339, 455B.340, 455B.382, 455H.102,
29 and 459A.501, Code 2021, are amended by striking the word
30 "division" and inserting in lieu thereof the word "subchapter".
31 5. Sections 172D.3, subsection 2, paragraph "b", unnumbered
32 paragraph 1; 172D.3, subsection 2, paragraph "c", unnumbered
33 paragraph 1; 172D.3, subsection 2, paragraph "c", subparagraphs
34 (1), (2), (3), and (4); 455B.103, subsection 4, paragraph "d";
35 455B.103A, subsection 5; 455B.104, subsection 1; 455B.131,

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unnumbered paragraph 1; 455B.134, subsection 2; 455B.171, unnumbered paragraph 1; 455B.211, unnumbered paragraph 1; 455B.261, unnumbered paragraph 1; 455B.301, unnumbered paragraph 1; 455B.303, subsection 1; 455B.304, subsection 1; 455B.331, unnumbered paragraph 1; 455B.335, subsections 1 and 3; 455B.337, subsection 2; 455B.361, unnumbered paragraph 1; 455B.362, subsection 2; 455B.381, unnumbered paragraph 1; 455B.381, subsection 4; 455B.384, subsection 2; 455B.390, unnumbered paragraph 1; 455B.390, subsection 2; 455B.391, subsection 1; 455D.4A, subsection 2, unnumbered paragraph 1; 455D.4A, subsections 3 and 4; 455E.11, subsection 2, paragraph "d", subparagraph (2); 455H.107, subsection 3, paragraph "a"; 455H.204, subsection 6; 456.14, subsection 2, unnumbered paragraph 1; 459.601, subsection 2, paragraph "a"; and 459A.401, subsection 3, Code 2021, are amended by striking the word "division" and inserting in lieu thereof the word "subchapter".

6. The Code editor may number unnumbered paragraphs within sections 28A.17, 28I.1, 28K.4, 64.15, 80D.6, 87.19, 90A.8, 103A.2, 135J.2, 136B.4, 148B.1, 162.19, 165.28, 232A.2, 238.12, 252F.2, 256A.5, 262A.5, 262A.9, 263A.7, 285.4, 285.14, 299.10, 306C.21, 316.14, 323.5, 323.11, 327C.19, 341A.3, 341A.4, 341A.5, 341A.8, 347B.9, 389.4, 425A.8, 426.6, 450B.6, 465B.1, 481B.3, 481B.4, 484A.4, 492.6, 493.12, 496B.13, 497.22, 497.35, 498.19, 498.24, 498.37, 507D.2, 507D.5, 510.12, 510.21, 513A.6, 515A.15, 516A.1, 516A.3, 516B.2, 517A.1, 518.29, 518A.44, 518A.54, 518C.16, 521G.8, 527.10, 538A.11, 552.4, 552.17, 553.14, 570.4, 589.27, 591.16, 591.17, 610.1, 611.2, 617.9, 618.14, 625.22, 645.2, 647.1, 647.2, 654B.11, 679B.14, 681.11, 714A.4, 714D.1, 819.3, 819.4, 904.109, and 914.7, Code 2021, in accordance with established section hierarchy and correct internal references in the Code and in any enacted Iowa Acts, as necessary.

DIVISION III
APPLICABILITY PROVISIONS

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Sec. 151. RETROACTIVE APPLICABILITY. The following applies retroactively to July 1, 2020:

The section of this Act amending 2020 Iowa Acts, chapter 1102, section 16.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill makes Code changes and corrections that are considered to be nonsubstantive and noncontroversial, in addition to style changes. Changes made include updating or correcting names of public programs and entities, corrections to citations to federal and state Acts, corrections to terminology, spelling, format, capitalization, punctuation, and grammar, as well as numbering, renumbering, and reorganizing various provisions to eliminate unnumbered paragraphs and to facilitate citation. The Code sections in which the technical, grammatical, and other nonsubstantive changes are made include the following:

Division I:

Section 8.44: Adds a comma after the word "sources" to set off a clause containing an exception and replaces "such" with "the" in this provision relating to reports that must be filed by state departments, agencies, boards, and institutions with the department of management after receipt of federal, public, or private funds.

Sections 8A.460 and 422.1: Adds the word "Iowa" to Iowa Acts citations to conform the citations to current Code style in provisions relating to the state terminal liability health insurance fund and the organization of the Code chapter pertaining to income, corporate, and franchise taxes.

Section 12.20: Conforms an expression of time to similar expressions elsewhere in the Code in this provision relating to reissuance of previously voided checks by the treasurer of state.

Section 15.317: Repeats verbiage after a series in

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a two-part qualifying phrase in language describing the eligibility requirements for the renewable chemical production tax credit.

Section 15.354: Corrects subject-verb agreement in two places in this provision describing the process for issuance of tax credit certificates by the economic development authority under the workforce housing tax incentives program.

Section 15J.2: Moves language citing the statutory authority for agreements under the Iowa reinvestment Act so that it immediately succeeds the word "agreement".

Section 17A.4A: Corrects the name of the publication "Iowa administrative bulletin" in this provision regarding regulatory analysis of proposed rules under the Iowa administrative procedure Act.

Section 24.29: Divides a long sentence in this provision relating to hearings by the state appeal board of protests against decisions made by certifying boards or levying boards of local government entities regarding proposed budgets, expenditures, or tax levies.

Section 29A.75: Updates language and replaces parentheses to conform to current Code style in this provision relating to affidavits relating to powers of attorney executed by military service personnel.

Section 29B.43: Adds a terminal comma before the last item in a series in this provision regarding oaths taken by military judges, members of general and special courts-martial, trial counsel, assistant trial counsel, assistant defense counsel, reporters, and interpreters before performing official duties.

Sections 48A.19, 135.16, and 135.16A: Corrects a reference by name to the federal special supplemental nutrition program established under 42 U.S.C. §1786, in these provisions relating to voter registration, methamphetamine education, and retail egg sales. The name of the United States department of agriculture, food and nutrition service is also corrected in Code section 135.16.

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Section 50.48: Adds a comma to set off a clause and to match the punctuation used in the immediately following sentence in language relating to recounts of votes by county boards of canvassers.

Section 67.3: Numbers paragraphs and updates language in this provision regarding witnesses called to testify in investigations regarding books, papers, vouchers, moneys, securities, and documents held by, or the expenditure of funds or the directing of expenditure of funds by, any state officer, board, or commission.

Section 80.45A: Strikes the words "of the department" so that the definition of the term "commissioner" matches the definition and title given to the department of public safety's chief executive officer under Code sections 80.1A and 80.2.

Section 80D.9: Divides this Code section relating to supervision of reserve peace officers into two based upon subject matter and numbers the resulting unnumbered paragraphs.

Section 84A.13: Adds an internal reference to the statute in which the Iowa child care challenge fund is established, after a reference to that fund by name, in this provision establishing the Iowa employer innovation program and fund.

Section 85.26: Eliminates quotation marks from a term that is not being used as a definition to conform language relating to limitations of actions regarding workers' compensation benefits to current Code style.

Sections 85.55 and 216.22: Adds quotation marks to language defining the terms "franchisee" and "franchisor" in provisions relating to workers' compensation and the regulation of certain franchise relationships by the civil rights commission.

Section 85A.4: Moves language and adds quotation marks to this definition of the term "disablement" to conform the language to the current Code style for definitions.

Section 89A.10: Changes "insure" to "ensure" to conform this language regarding the issuance of injunctions to prevent or control imminently dangerous conveyances to the substance of

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1 the rest of the sentence.
2 Section 91.11: Numbers unnumbered paragraphs and divides
3 a long sentence in this provision regarding prosecutions of
4 violations of labor and employment safety laws by the labor
5 commissioner.
6 Section 96.1A: Conforms a sentence fragment describing
7 the succeeding defined terms "totally unemployed", "partially
8 unemployed", and "temporarily unemployed" to those succeeding
9 definitions in this definitions section for the Code chapter
10 relating to unemployment compensation.
11 Section 96.6: Changes "issuing" to "issuance of" to
12 improve the clarity of this provision relating to initial
13 determinations of validity of claims for unemployment
14 compensation.
15 Section 96.14: Replaces a comma with "or" to correct the
16 grammar of a nonseries in language relating to the enjoining
17 of employers from doing business due to failure to comply with
18 the reporting and financial requirements of the Code chapter
19 regarding unemployment compensation.
20 Section 96.40: Corrects the use of a preposition in language
21 regarding the filing of appeals from decisions made by the
22 department of workforce development.
23 Section 124.409: Changes "insure" to "ensure" to conform to
24 the substance of language describing measures taken to allow
25 persons convicted of certain controlled substance offenses to
26 seek treatment, and to assure compliance with the law.
27 Section 125.33: Adds the word "person" after the word
28 "incompetent" to conform the uses of terminology and adds
29 commas within this provision relating to discharge of, and
30 transportation and shelter of, persons leaving substance abuse
31 treatment facilities.
32 Sections 135.14 and 135.15: Corrects references by name to
33 the oral and health delivery systems bureau in these provisions
34 relating to the establishment, direction, management, and
35 supervision of that bureau.

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1 Section 135.19: Corrects a reference by name to the centers
2 for disease control and prevention of the United States
3 department of health and human services in this provision
4 relating to the viral hepatitis program.
5 Section 135.43: Adds the words "member who is" to a
6 paragraph to match the style of other similar paragraphs, and
7 moves language in another provision to improve readability, in
8 this provision regarding the appointment and duties of the Iowa
9 child death review team.
10 Section 135.173A: Corrects a reference by name to the
11 early childhood Iowa office in this provision regarding the
12 establishment of the state child care advisory committee.
13 Section 148F.3: Replaces "the effective date of this Act"
14 with the date "July 1, 2012" to reflect the actual enactment
15 date for 2012 Iowa Acts, chapter 1101, in which this Code
16 section was enacted.
17 Section 153.14: Removes quotation marks from terms that are
18 not definitions in this provision excluding certain persons and
19 professions from regulation under the Code chapter governing
20 the practice of dentistry to conform to current Code style.
21 Section 154A.20: Adds a comma after the word "and" to set
22 off the word "therefore" in a statement that must be included
23 on a receipt for the purchase of hearing aids from a hearing
24 aid specialist.
25 Section 158.1: Adds commas to set off a clause regarding
26 moveable locations and to clarify the applicability of language
27 regarding the practice of barbering in either of the locations
28 described in the subsection.
29 Section 162.1: Changes "insure" to "ensure" to conform
30 to the substance of the language of this provision relating
31 to the care and treatment of dogs and cats in commercial
32 establishments.
33 Section 190B.201: Adds the words "agriculture and land
34 stewardship" after references to "department" because the term
35 "department" is defined to mean the department of revenue

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in subchapter I of this Code chapter regarding farm to food donation tax credits and emergency food purchases.

Sections 191.1, 191.2, 359A.22, 509.2, 521A.2, 556E.6, 590.1, 592.4, 621.4, and 621.5: Changes "to" to "through" and strikes the word "inclusive" in these provisions relating to food labeling, fence viewers, group life insurance policies, insurance holding companies, gold and silver alloy, legalizing certain notices of appointment of executors, the making and recording of certain plats, and security for the costs of a court proceeding, to conform the string citations to other string citations in the Code in which the last citation in the string is intended to be included in the reference.

Section 200.2: Strikes the words "hereinafter referred to as the secretary" from this provision describing the enforcing official for the Code chapter regarding fertilizers and soil conditioners, because the term "secretary" is defined in Code section 200.3 to mean the secretary of agriculture.

Section 200.15: Moves language and restructures this provision to improve the readability and to conform this provision, relating to refusal to register or cancellation of registration and licenses under the Code chapter regarding fertilizers and soil conditioners, to current Code style.

Section 202B.202: Letters unnumbered paragraphs within subsection 1 and adds the word "Iowa" to Iowa Acts citations within subsections 2 and 3, in this provision regarding compliance requirements for cooperative associations that were parties to certain contracts for the care and feeding of swine and for swine and beef processors.

Section 216B.2: Reorganizes the content and numbers the resulting unnumbered paragraphs of this Code section establishing the commission for the blind.

Section 225C.3: Adds the word "state" before the words "board of regents" to correct references to that board by name in this Code section regarding the division of mental health and disability services of the department of human services.

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1 Section 230.20: Corrects capitalization of the adjective
2 "x-ray" to conform to the capitalization used elsewhere in
3 the Code for that adjective in this provision relating to the
4 billing of patient charges for services provided in a state
5 mental health institute.
6 Section 232.182: Renumbers subsections to eliminate an old
7 alphanumeric designation in this Code section regarding initial
8 determinations in voluntary foster care placement proceedings.
9 Section 260C.48: Conforms the form of a verb used to
10 describe qualifications required of persons who teach at
11 community colleges to the parallel verb form used to describe
12 alternate qualifications for those same individuals.
13 Section 261.120: Conforms the language describing the
14 educational enrollment and attainment requirements for persons
15 participating in the rural veterinarian loan repayment program
16 to the terminology used to describe a doctor of veterinary
17 medicine degree in Code chapter 169.
18 Section 263B.4: Places definitions in alphabetical order in
19 this definitions Code section within the Code chapter regarding
20 the state archaeologist.
21 Section 272A.1: Places the definitions for the interstate
22 agreement on qualifications of educational personnel in
23 alphabetical order.
24 Section 306A.10: Supplies missing indefinite articles and a
25 comma and replaces the word "same" with "facility" to improve
26 the readability of this provision relating the relocation or
27 removal of a utility facility near a highway.
28 Section 311.23: Supplies missing comma after "cash" to set
29 off a clause that currently ends in a comma in this provision
30 relating to payment of construction costs of secondary road
31 projects.
32 Section 321.504: Supplies a missing "the" to match the
33 style of the rest of this Code section relating to an optional
34 notification procedure for service of original notices of suit
35 upon nonresident defendants in actions for damages arising out

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of use and operation of motor vehicles.

Section 327E.1: Numbers unnumbered paragraphs, replaces the word "it" with "railway corporation", and updates other language in this provision relating to operation of foreign railway companies within the state of Iowa.

Section 331.424: Eliminates references to Code sections that were repealed by 2020 Iowa Acts, chapter 1045, in this Code section relating to supplemental tax levies by counties.

Section 359.3: Replaces the word "same" with "city" in this provision regarding changing of boundary lines of townships within a county by the county board of supervisors to conform to the boundaries of a city.

Section 359.32: Changes "gifts" to "gift" to conform to the singular form used for the other subjects within the series describing what township trustees may accept for purposes of providing for perpetual cemetery upkeep.

Section 420.236: Updates the style of the language in this provision relating to payment of taxes in special charter cities to conform to current style.

Section 421.27: Simplifies language making definitions used in Code section 422.25A applicable to this Code subparagraph relating to the conditions that must be shown before penalties for the late payment of certain state taxes may be waived.

Section 421.59: Removes a redundant numeric reference to subsection 1 within paragraph "b" of subsection 1 of this Code section relating to the filing of a power of attorney by a taxpayer with the department of revenue.

Section 422.4: Removes a redundant reference to "hereof" that follows a reference to "subsection 15" in this definition of the term "nonresident" for a Code subchapter regarding personal net income tax.

Section 422.11A: Divides this Code section that provides a new jobs tax credit for industries that meet certain requirements into its subject matter components, numbers the resulting paragraphs, and moves language containing an internal

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Code section reference so that it immediately follows the term that is defined in the Code provision referenced.

Section 422.11S: Corrects subject-verb agreement within this provision relating to the school tuition organization tax credit.

Section 422.25A: Changes a comma to the word "of" to clarify that subchapter C is a subset of title 26, subtitle F, chapter 63, of the United States Code in this definition of the term "partnership level audit" for purposes of the reporting and treatment of certain partnership adjustments in tax audits.

Section 422.29: Updates a reference by name to the Iowa administrative procedure Act to a numeric reference within this provision relating to judicial review of decisions of the director of revenue under the Code chapter pertaining to individual income, corporate, and franchise taxes.

Section 422.33: Moves language containing an internal Code section reference so that it immediately follows the term that is defined in the Code provision referenced, and divides and redesignates resulting paragraphs, in this provision describing how the new jobs tax credit is calculated for purposes of computation of corporate income tax.

Section 422.72: Strikes the redundant word "whatever" and changes a comma to a semicolon to separate a description of unlawful conduct from a series that applies to an initial description of other unlawful conduct in this provision describing activities in which the director of revenue and any current or former officers or employees of the department of revenue cannot engage.

Sections 455B.133B, 455.134, 455B.138, 455B.145, 455B.146, 45B.146A, 455B.149, 455B.171, 455B.173, 455B.174, 455B.177, 455B.179, 455B.182, 455B.183A, 455B.183C, 455B.191, 455B.192, 455B.219, 455B.307, 455B.396, 455B.423, 455B.477, 455B.751, 455B.754, 455B.801, 455B.802, 455B.803, 455B.805, 455B.806, and 455B.807: Changes chapter division designations to subchapter designations and conforms citation style within

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1 these Code sections in the Code chapter regarding the
2 jurisdiction of the department of natural resources. In some
3 of the provisions, the words "of this chapter" are stricken
4 and the words "thereunder" and "thereto" are replaced with
5 subchapter references. In other provisions, the word "this"
6 or specific numeric part and subchapter references are added
7 for consistency and clarity. A directive in division II
8 of the bill directs the Code editor to change divisions to
9 subchapters within Code chapter 455B and to also correct
10 internal references related to that change.
11 Section 455B.140: Replaces a reference to the Iowa
12 administrative procedure Act by name with a numeric reference
13 to Code chapter 17A in this provision relating to judicial
14 review of the actions of the director of the department of
15 natural resources under that Act.
16 Section 455B.143: Updates, to current Code style, language
17 describing the circumstances under which the director of the
18 department of natural resources may grant a variance from the
19 rules or standards governing emissions by a plant, building,
20 structure, process, or equipment into the air.
21 Section 455B.175: Moves language relating to rules and
22 the issuance of permits so that it precedes the Code chapter,
23 subchapter, and part references that apply to those rules
24 and permits, and conforms the style of language immediately
25 preceding a colon and in the succeeding lettered provisions to
26 current Code style in this Code section relating to violations
27 of certain water quality requirements.
28 Section 455B.224: Changes a Code chapter division
29 designation to a subchapter designation, replaces the word
30 "said" with "this", and replaces "thereunder" with "under this
31 part" in this provision establishing a penalty for improper
32 operation of a water treatment plant.
33 Section 455B.307A: Changes a Code chapter division
34 designation to a subchapter designation and strikes a redundant
35 numeric self-reference to Code chapter 455B in this Code

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1 section regarding the disposal of solid waste.
2 Section 458A.21: Updates the grammar and punctuation in two
3 series within this Code section regarding the lease of public
4 lands.
5 Section 458A.25: Divides a long sentence and clarifies an
6 internal reference to Code chapter 572 to improve hypertext
7 linkage in this provision regarding liens for labor or
8 materials furnished for improvements for gas or oil wells, pipe
9 lines, and buildings and appurtenances.
10 Section 459.202: Adds the indefinite article "a" before
11 two identical expressions in two paragraphs to match similar
12 language used elsewhere in this Code section regarding minimum
13 separation distances between confinement feed operation
14 structures and certain other structures.
15 Section 459.304: Corrects subject-verb agreement in
16 language regarding the scoring of criteria that are part of the
17 master matrix developed and used to assess applications for
18 the construction, including expansion, of confinement feeding
19 operations.
20 Section 462A.8: Updates the style and grammar of this Code
21 section relating to the transmission of information by the
22 natural resource commission to federal officials or agencies
23 after a request has been made.
24 Section 481A.98: Corrects the use of commas within this Code
25 section requiring fur dealers to report any person who attempts
26 to sell skins or hides that appear to have been unlawfully
27 taken or possessed.
28 Section 483A.1A: Adds a citation to the enabling statute
29 for the natural resource commission for hypertext linkage in
30 a definition of the term "commission" for the Code chapter
31 pertaining to fishing and hunting licenses, contraband, and
32 guns.
33 Section 483A.24: Corrects the name of the institution
34 for the visually disabled, to the name found in Code chapter
35 269, in this Code section regarding the issuance of hunting or

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1 fishing licenses.
2 Section 508.36: Reformats a formula for calculation of
3 calendar year statutory valuation interest rates for life
4 insurance policies so that the formula will always match the
5 original enactment. The formula was enacted in 1982 Iowa
6 Acts, chapter 1072, section 2, but, because of its current
7 formatting, the underlined "W" does not and has not remained in
8 the same location in all publications.
9 Section 515.4: Replaces "its" with "the company's"
10 in this provision relating to refusal of a certificate by
11 the commissioner of insurance to a company's articles of
12 incorporation because the company's name has already been
13 appropriated by another corporation of the same character.
14 Section 515D.6: Numbers unnumbered paragraphs and updates
15 style to current Code style in this provision enumerating
16 reasons that cannot be used by an insurer to refuse to issue or
17 renew a policy of automobile insurance.
18 Section 518B.5: Numbers unnumbered paragraphs and replaces
19 "thereunder" with "under this chapter" in this provision
20 relating to disposition of excess moneys received from
21 assessments from insurers for purposes of the federal riot
22 reinsurance reimbursement program.
23 Section 523C.9: Adds a comma to set off a clause that
24 is preceded by a comma to improve the readability of this
25 provision relating to the conditions under which a license of a
26 motor vehicle service contract company may be suspended by the
27 commissioner of insurance.
28 Section 537.1201: Replaces a period with a semicolon in this
29 provision regarding the applicability of the consumer credit
30 code to correct an incorrect 1975 codification of the original
31 1974 enactment, 65 G.A. 1250, section 1.201, and to conform the
32 grammar and syntax of the provision to current Code style.
33 Section 543C.1: Removes a comma after a verb that is not
34 part of a series, moves the word "induce" after the words
35 "directly or indirectly", and strikes an incorrect comma

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to improve the readability of this definition of the term "advertisement" in this Code chapter relating to sales of subdivided land outside of Iowa.

Section 551.6: Changes "to" to a list of referenced Code sections and strikes "inclusive", and eliminates a reference to repealed Code section 551.3, to correct and conform a string citation to current Code style in this provision relating to enforcement of prohibitions against unfair discrimination in commercial sales and purchases of commodities or services.

Section 557C.2: Numbers paragraphs and reformats definitions contained in this definitions section for the Code chapter relating to mineral interests in coal to match standard Code format.

Section 573.6: Reformats this provision relating to bonds given for performance of a contract for the construction of a public improvement to place the language that is supposed to be inserted into the bonds into a form and to separate that language from the statutory requirements.

Section 588.1: Changes "to" to "through", conforms the citation to prior Code to current style, and strikes the words "both inclusive" to conform this string citation to other string citations in the Code in which all Code sections referenced are included in the citation in this provision legalizing and validating the sales of certain properties despite irregularities in the procedures followed for levy, execution, and sale of those properties.

Section 602.8108: Strikes the word "collection" that appears before the word "fund" to avoid a conflict with the actual name of the fund and conform to earlier fund references in this paragraph relating to use of moneys in the court technology and modernization fund.

Section 622.10: Adds the definite article "the" in two places to improve the readability of this provision prohibiting the compelling of disclosure of certain communications made in professional confidence.

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Section 633.402: Adds a terminal comma before the last item in a series in this provision describing what constitutes a sale of property for purposes of the probate code.

Section 633.563: Changes plural verb "are" to the singular "is" to match the antecedent subject "one" in this provision relating to professional evaluations of respondents in proceedings for the appointment of a guardian or conservator or the modification or termination of an existing guardianship or conservatorship.

Section 802.9: Replaces the word "same" with "indictment or information" to match previous terminology and to clarify this provision relating to disposition of a defective indictment or information.

2020 Iowa Acts, chapter 1102: Corrects the name of the Iowa school for the deaf in amendments made to Code section 270.1 by 2020 Iowa Acts, chapter 1102, section 16. This change is made retroactively applicable in division III of the bill.

2020 Iowa Acts, chapter 1108: Strikes an unnecessary "and" from a series that was added in amendments made to Code section 256.16 by 2020 Iowa Acts, chapter 1108, section 1.

Division II:

This division permits the Code editor to change the numeric designations from Arabic to Roman numerals in Code subchapter headings in the enumerated Code chapters to avoid having subchapter identifiers and Code section identifiers appear to be identical in Code element tagging.

The division directs the Code editor to transfer Code section 232.152 to Code section 232.7A, and to transfer Code section 232.153 to Code section 232.7B, and to correct internal references in the Code and in any enacted legislation as necessary due to the transfers.

The division contains Code editor directives to change the Code chapter division designations to subchapter designations in Code chapter 455B and to change the word "division" to "subchapter" in various enumerated Code sections and Code

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section subunits.

The division also requires the Code editor to number the unnumbered paragraphs in various enumerated provisions in accordance with established Code section hierarchy and to correct internal references as necessary.

Division III:

This division makes the amendment to 2020 Iowa Acts, chapter 1102, retroactively applicable to July 1, 2020.

House Study Bill 210 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act relating to amusement concessions, and including
2 effective date and retroactive applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2171YC (1) 89
dg/rn

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Section 1. Section 99B.1, subsections 1, 18, and 19, Code 2021, are amended to read as follows:

1. *"Amusement concession"* means a game of skill or game of chance ~~with an instant win possibility~~ where~~, if~~ the participant ~~completes a task, the participant wins~~ may win a prize. *"Amusement concession"* includes but is not limited to carnival-style games and video games that are conducted by a person for profit. *"Amusement concession"* does not include casino-style games or amusement devices required to be registered pursuant to section 99B.53.

18. *"Game of chance"* means a game whereby the result is determined by chance ~~and the player in order to win completes activities, such as aligning objects or balls in a prescribed pattern or order or makes certain color patterns appear~~. *"Game of chance"* specifically includes but is not limited to bingo. *"Game of chance"* does not include a slot machine or amusement device.

19. *"Game of skill"* means a game whereby the possibility of a result ~~is determined by~~ favorable to the player increases with the player's ability to do a task, such as directing or throwing objects to designated areas or targets, or by maneuvering water or an object into a designated area, or by maneuvering a dragline device to pick up particular items, or by shooting a gun or rifle at "targets", or aiming at, capturing, or collecting symbols on a video screen.

Sec. 2. Section 99B.31, subsection 1, paragraph a, Code 2021, is amended to read as follows:

a. The person conducting the amusement concession has submitted a license application and a fee of fifty dollars for each amusement concession at least thirty days prior to conducting an amusement concession, and has been issued a license for the amusement concession, and prominently displays the license at the playing area of the amusement concession. A license is valid for a period of one year from the date of issue.

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Sec. 3. DEPARTMENT OF INSPECTIONS AND APPEALS — 2020 AMUSEMENT CONCESSIONS LICENSES. Notwithstanding any provision of law to the contrary, amusement concession licenses and provisional licenses issued by the department of inspections and appeals in calendar year 2020 shall allow the licensee to conduct any amusement concession that was authorized to be conducted on the date of licensure in 2020 for the duration of the one-year license.

Sec. 4. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 5. RETROACTIVE APPLICABILITY. The following applies retroactively to January 1, 2020:

The section of this Act authorizing the continuation of amusement concession licenses and professional licenses for a one-year duration.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to amusement concessions.

The bill changes the definition of amusement concession to a game of skill or game of chance where the participant may win a prize. The bill adds video games as an example of an amusement concession.

The bill changes the definition of game of chance to a game whereby the result is determined by chance. Under current law, a game of chance must also require a player to complete activities, such as aligning objects or balls in a prescribed pattern or order or make certain color patterns appear, in order to win.

The bill changes the definition of a game of skill to a game whereby the possibility for a result favorable to the player increases with the player's ability to do a task. The bill adds shooting a gun or rifle at "targets", and aiming at, capturing, or collecting symbols on a video screen as examples of activities in games of skill.

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The bill requires amusement concession license applicants to submit their application and application fee for an amusement concession license at least 30 days before conducting amusement concession activities.

The bill directs the department of inspections and appeals to adopt rules that set out that all amusement concession licenses and provisional licenses issued in calendar year 2020 shall remain valid until the date prescribed for the licenses on the licenses' date of issue. The bill makes this directive retroactive to January 1, 2020.

The bill takes effect upon enactment.

House Study Bill 211 - Introduced

HOUSE CONCURRENT RESOLUTION NO. _____

BY (PROPOSED COMMITTEE ON ADMINISTRATION AND RULES RESOLUTION BY CHAIRPERSON DOLECHECK)

A Concurrent Resolution relating to joint rules of the Senate and House of Representatives for the Eighty-ninth General Assembly.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, THE SENATE CONCURRING, That the joint rules of the Senate and House of Representatives for the ~~Eighty-eighth~~ Eighty-ninth General Assembly shall be:

JOINT RULES OF THE SENATE AND HOUSE

Rule 1

Suspension of Joint Rules

The joint rules of the general assembly may be suspended by concurrent resolution, duly adopted by a constitutional majority of the senate and the house.

Rule 2

Designation of Sessions

Each regular session of a general assembly shall be designated by the year in which such regular session commences.

Rule 3

Sessions of a General Assembly

The election of officers, organization, hiring and compensation of employees, and standing committees in each house of the general assembly and action taken by each house shall carry over from the first to the second regular session and to any extraordinary session of the same general assembly. The status of each bill and resolution shall be the same at the beginning

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of each second session as it was immediately before adjournment of the previous regular or extraordinary session; however the rules of either house may provide for re-referral of some or all bills and resolutions to standing committees upon adjournment of each session or at the beginning of a subsequent regular or extraordinary session, except those which have been adopted by both houses in different forms.

Upon final adoption of a concurrent resolution at any extraordinary session affecting that session, or at a regular session affecting any extraordinary session which may be held before the next regular session, the creation of any calendar by either house shall be suspended and the business of the session shall consist solely of those bills or subject matters stated in the resolution adopted. Bills named in the resolution, or bills containing the subject matter provided for in the resolution, may, at any time, be called up for debate in either house by the majority leader of that house.

Rule 3A

International Relations Protocol

The senate and the house of representatives shall comply with the international relations protocol policy adopted by the international relations committee of the legislative council.

Rule 4

Presentation of Messages

All messages between the two houses shall be sent and accepted, as soon as practicable, by the secretary of the senate and the chief clerk of the house of

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representatives. The messages shall be communicated to and received by the presiding officer of the other house at the earliest appropriate time when that house is in session.

Rule 5

Printing and Form of Bills and Other Documents

Bills and joint resolutions shall be introduced, numbered, prepared, and printed as provided by law, or in the absence of such law, in a manner determined by the secretary of the senate and the chief clerk of the house of representatives. Proposed bills and resolutions which are not introduced but are referred to committee shall be tracked in the legislative computer system as are introduced bills and resolutions. The referral of proposed bills and resolutions to committee shall be entered in the journal.

All bills and joint resolutions introduced shall be in a form and number approved by the secretary of the senate and chief clerk of the house.

The legal counsel's office of each house shall approve all bills before introduction.

Rule 6

Companion Bills

Identical bills introduced in one or both houses shall be called companion bills. Each house shall designate the sponsor in the usual way followed in parentheses by the sponsor of any companion bill or bills in the other house. The house where a companion bill is first introduced shall print the complete text.

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Rule 7

Reprinting of Bills

Whenever any bill has been substantially amended by either house, the secretary of the senate or the chief clerk of the house shall order the bill reprinted on paper of a different color. All adopted amendments shall be distinguishable.

The secretary of the senate or the chief clerk of the house may order the printing of a reasonable number of additional copies of any bill, resolution, amendment, or journal.

Rule 8

Daily Clip Sheet

The secretary of the senate and the chief clerk of the house shall prepare a daily clip sheet covering all amendments filed.

Rule 9

Reintroduction of Bills and Other Measures

A bill or resolution which has passed one house and is rejected in the other shall not be introduced again during that general assembly.

Rule 10

Certification of Bills and Other Enrollments

When any bill or resolution which has passed one house is rejected or adopted in the other, notice of such action and the date thereof shall be given to the house of origin in writing signed by the secretary of the senate or the chief clerk of the house.

Rule 11

Code Editor´s Correction Bills

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A bill recommended by the Code editor which is passed out of committee to the floor for debate by a committee of the house or senate and which contains Code corrections of a nonsubstantive nature shall not be amended on the floor of either house except pursuant to corrective or nonsubstantive amendments filed by the judiciary committee of the senate or the house. Such committee amendments, whether filed at the time of initial committee passage of the bill to the floor for debate or after rereferral to the committee, shall not be incorporated into the bill in the originating house but shall be filed separately. Amendments filed from the floor to strike sections of the bill or the committee amendments shall be in order. Following amendment and passage by the second house, only amendments filed from the floor which strike sections of the amendment of the second house shall be in order.

A bill recommended by the Code editor which is passed out of committee to the floor for debate by a committee of the house or senate and which contains Code corrections beyond those of a nonsubstantive nature shall not be amended on the floor of either house except pursuant to amendments filed by the judiciary committee of the senate or the house. Such committee amendments, whether filed at the time of initial committee passage of the bill to the floor for debate or after rereferral to the committee, shall not be incorporated into the bill in the originating house but shall be filed separately. Such a bill shall

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be limited to corrections which: Adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, and remove ambiguities. Amendments filed from the floor to strike sections of the bill or the committee amendments shall be in order. Following amendment and passage by the second house, only amendments filed from the floor which strike sections of the amendment of the second house shall be in order.

It is the intent of the house and the senate that such bills be passed out of committee to the floor for debate within the first four weeks of convening of a legislative session.

Rule 12

Amendments by Other House

1. When a bill which originated in one house is amended in the other house, the house originating the bill may amend the amendment, concur in full in the amendment, or refuse to concur in full in the amendment. Precedence of motions shall be in that order. The amendment of the other house shall not be ruled out of order based on a question of germaneness.

a. If the house originating the bill concurs in the amendment, the bill shall then be immediately placed upon its final passage.

b. If the house originating the bill refuses to concur in the amendment, the bill shall be returned to the amending house which shall either:

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(1) Recede, after which the bill shall be read for the last time and immediately placed upon its final passage; or

(2) Insist, which will send the bill to a conference committee.

c. If the house originating the bill amends the amendment, that house shall concur in the amendment as amended and the bill shall be immediately placed on final passage, and shall be returned to the other house. The other house cannot further amend the bill.

(1) If the amending house which gave second consideration to the bill concurs in the amendment to the amendment, the bill shall then be immediately placed upon its final passage.

(2) If the amending house refuses to concur in the amendment to the amendment, the bill shall be returned to the house originating the bill which shall either:

(a) Recede, after which the bill shall be read for the last time as amended and immediately placed upon its final passage; or

(b) Insist, which will send the bill to a conference committee.

2. A motion to recede has precedence over a motion to insist. Failure to recede means to insist; and failure to insist means to recede.

3. A motion to lay on the table or to indefinitely postpone shall be out of order with respect to motions to recede from or insist upon and to amendments to bills which have passed both houses.

4. A motion to concur, refuse to concur, recede,

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insist, or adopt a conference committee report is in order even though the subject matter has previously been acted upon.

Rule 13

Conference Committee

1. Within one legislative day after either house insists upon an amendment to a bill, the presiding officer of the house, after consultation with the majority leader, shall appoint three majority party members and, after consultation with the minority leader, shall appoint two minority party members to a conference committee. The majority leader of the senate, after consultation with the president, shall appoint three majority party members and, after consultation with and approval by the minority leader, shall appoint two minority party members to a conference committee. The papers shall remain with the house that originated the bill.

2. The conference committee shall meet before the end of the next legislative day after their appointment, shall select a chair and shall discuss the controversy.

3. The authority of the first conference committee shall cover only issues related to provisions of the bill and amendments to the bill which were adopted by either the senate or the house of representatives and on which the senate and house of representatives differed. If a conference committee report is not acted upon because such action would violate this subsection of this rule, the inaction on the report

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1 shall constitute refusal to adopt the conference
2 committee report and shall have the same effect as if
3 the conference committee had disagreed.
4 4. An agreement on recommendations must be approved
5 by a majority of the committee members from each house.
6 The committee shall submit two originals of the report
7 signed by a majority of the committee members of each
8 house with one signed original and three copies to be
9 submitted to each house. The report shall first be
10 acted upon in the house originating the bill. Such
11 action, including all papers, shall be immediately
12 referred by the secretary of the senate or the chief
13 clerk of the house of representatives to the other
14 house.
15 5. The report of agreement is debatable, but
16 cannot be amended. If the report contains recommended
17 amendments to the bill, adoption of the report shall
18 automatically adopt all amendments contained therein.
19 After the report is adopted, there shall be no more
20 debate, and the bill shall immediately be placed upon
21 its final passage.
22 6. Refusal of either house to adopt the conference
23 committee report has the same effect as if the
24 committee had disagreed.
25 7. If the conference committee fails to reach
26 agreement, a report of such failure signed by a
27 majority of the committee members of each house shall
28 be given promptly to each house. The bill shall
29 be returned to the house that originated the bill,
30 the members of the committee shall be immediately

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1 discharged, and a new conference committee appointed in
2 the same manner as the first conference committee.
3 8. The authority of a second or subsequent
4 conference committee shall cover free conference during
5 which the committee has authority to propose amendments
6 to any portion of a bill provided the amendment is
7 within the subject matter content of the bill as passed
8 by the house of origin or as amended by the second
9 house.
10 Rule 14
11 Enrollment and Authentication of Bills
12 A bill or resolution which has passed both houses
13 shall be enrolled in the house of origin under the
14 direction of either the secretary of the senate or the
15 chief clerk of the house and its house of origin shall
16 be certified by the endorsement of the secretary of the
17 senate or the chief clerk of the house.
18 After enrollment, each bill shall be signed by the
19 president of the senate and by the speaker of the
20 house.
21 Rule 15
22 Concerning Other Enrollments
23 All resolutions and other matters which are to
24 be presented to the governor for approval shall be
25 enrolled, signed, and presented in the same manner as
26 bills.
27 All resolutions and other matters which are not to
28 be presented to the governor or the secretary of state
29 shall be enrolled, signed, and retained permanently
30 by the secretary of the senate or chief clerk of the

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1 house.
2 Rule 16
3 Transmission of Bills to the Governor
4 After a bill has been signed in each house, it shall
5 be presented by the house of origin to the governor by
6 either the secretary of the senate or the chief clerk
7 of the house. The secretary or the chief clerk shall
8 report the date of the presentation, which shall be
9 entered upon the journal of the house of origin.
10 Rule 17
11 Fiscal Notes
12 A fiscal note shall be attached to any bill or joint
13 resolution which reasonably could have an annual effect
14 of at least one hundred thousand dollars or a combined
15 total effect within five years after enactment of
16 five hundred thousand dollars or more on the aggregate
17 revenues, expenditures, or fiscal liability of the
18 state or its subdivisions. This rule does not apply
19 to appropriation and ways and means measures where the
20 total effect is stated in dollar amounts.
21 Each fiscal note shall state in dollars the
22 estimated effect of the bill on the revenues,
23 expenditures, and fiscal liability of the state or
24 its subdivisions during the first five years after
25 enactment. The information shall specifically note
26 the fiscal impact for the first two years following
27 enactment and the anticipated impact for the succeeding
28 three years. The fiscal note shall specify the source
29 of the information. Sources of funds for expenditures
30 under the bill shall be stated, including federal

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1 funds. If an accurate estimate cannot be made, the
2 fiscal note shall state the best available estimate or
3 shall state that no dollar estimate can be made and
4 state concisely the reason.
5 The preliminary determination of whether the bill
6 appears to require a fiscal note shall be made by
7 the legal services staff of the legislative services
8 agency. Unless the requestor specifies the request is
9 to be confidential, upon completion of the bill draft,
10 the legal services staff shall immediately send a copy
11 to the fiscal services director for review.
12 When a committee reports a bill to the floor, the
13 committee shall state in the report whether a fiscal
14 note is or is not required.
15 The fiscal services director or the director´s
16 designee shall review all bills placed on the senate
17 or house calendars to determine whether the bills are
18 subject to this rule.
19 Additionally, a legislator may request the
20 preparation of a fiscal note by the fiscal services
21 staff for any bill or joint resolution introduced which
22 reasonably could be subject to this rule.
23 The fiscal services director or the director´s
24 designee shall cause to be prepared and shall approve
25 a fiscal note within a reasonable time after receiving
26 a request or determining that a bill is subject to
27 this rule. All fiscal notes approved by the fiscal
28 services director shall be transmitted immediately to
29 the secretary of the senate or the chief clerk of the
30 house, after notifying the sponsor of the bill that a

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1 fiscal note has been prepared, for publication in the
2 daily clip sheet. The secretary of the senate or chief
3 clerk of the house shall attach the fiscal note to the
4 bill as soon as it is available.
5 The fiscal services director may request the
6 cooperation of any state department or agency in
7 preparing a fiscal note.
8 A revised fiscal note may be requested by a
9 legislator if the fiscal effect of the bill has been
10 changed by adoption of an amendment. However, a
11 request for a revised fiscal note shall not delay
12 action on a bill unless so ordered by the presiding
13 officer of the house in which the bill is under
14 consideration.
15 If a date for adjournment has been set, then a
16 constitutional majority of the house in which the
17 bill is under consideration may waive the fiscal note
18 requirement during the three days prior to the date set
19 for adjournment.
20 Rule 18
21 Legislative Interns
22 Legislators may arrange student internships during
23 the legislative session with Iowa college, university,
24 or law school students, for which the students may
25 receive college credit at the discretion of their
26 schools. Each legislator is allowed only one intern
27 at a time per legislative session, and all interns must
28 be registered with the offices of the secretary of the
29 senate and the chief clerk of the house.
30 The purpose of the legislative intern program shall

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be: to provide useful staff services to legislators not otherwise provided by the general assembly; to give interested college, graduate, and law school students practical experience in the legislative process as well as providing a meaningful educational experience; and to enrich the curriculum of participating colleges and universities.

The secretary of the senate and the chief clerk of the house or their designees shall have the following responsibilities as regards the legislative intern program:

1. Identify a supervising faculty member at each participating institution who shall be responsible for authorizing students to participate in the intern program.

2. Provide legislators with a list of participating institutions and the names of supervising professors to contact if interested in arranging for an intern.

3. Provide interns with name badges which will allow them access to the floor of either house when required to be present by the legislators for whom they work.

4. Provide orientation materials to interns prior to the convening of each session.

Rule 19

Administrative Rules Review Committee Bills and Rule Referrals

A bill which relates to departmental rules and which is approved by the administrative rules review committee by a majority of the committee's members

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1 of each house is eligible for introduction in either
2 house at any time and must be referred to a standing
3 committee, which must take action on the bill within
4 three weeks of referral, except bills referred to
5 appropriations and ways and means committees.
6 If, on or after July 1, 1999, the administrative
7 rules review committee delays the effective date of a
8 rule until the adjournment of the next regular session
9 of the general assembly and the speaker of the house
10 or the president of the senate refers the rule to a
11 standing committee, the standing committee shall review
12 the rule within twenty-one days of the referral and
13 shall take formal committee action by sponsoring a
14 joint resolution to disapprove the rule, by proposing
15 legislation relating to the rule, or by refusing to
16 propose a joint resolution or legislation concerning
17 the rule. The standing committee shall inform the
18 administrative rules review committee of the committee
19 action taken concerning the rule.
20 Rule 20
21 Time of Committee Passage and Consideration of Bills
22 1. This rule does not apply to concurrent or
23 simple resolutions, joint resolutions nullifying
24 administrative rules, senate confirmations, bills
25 embodying redistricting plans prepared by the
26 legislative services agency pursuant to chapter
27 42, or bills passed by both houses in different
28 forms. Subsection 2 of this rule does not apply to
29 appropriations bills, ways and means bills, government
30 oversight bills, legalizing acts, administrative

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rules review committee bills, bills sponsored by standing committees in response to a referral from the president of the senate or the speaker of the house of representatives relating to an administrative rule whose effective date has been delayed or whose applicability has been suspended until the adjournment of the next regular session of the general assembly by the administrative rules review committee, bills cosponsored by majority and minority floor leaders of one house, bills in conference committee, and companion bills sponsored by the majority floor leaders of both houses after consultation with the respective minority floor leaders. For the purposes of this rule, a joint resolution is considered as a bill. To be considered an appropriations, ways and means, or government oversight bill for the purposes of this rule, the appropriations committee, the ways and means committee, or the government oversight committee must either be the sponsor of the bill or the committee of first referral in the originating house.

2. To be placed on the calendar in the house of origin, a bill must be first reported out of a standing committee by Friday of the 8th week of the first session and the 6th week of the second session. To be placed on the calendar in the other house, a bill must be first reported out of a standing committee by Friday of the 12th week of the first session and ~~by June 6, 2020, during~~ the 10th week of the second session.

3. ~~Commencing June 3, 2020, each house shall only consider the following bills and resolutions:~~

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~~a. Any bill that is exempt from subsection 2 of this rule.~~

~~b. Any bill that has passed one house and at least one standing committee in the other house.~~

During the 10th week of the first session and the 7th week of the second session, each house shall consider only bills originating in that house and unfinished business. During the 13th week of the first session and the 11th week of the second session, each house shall consider only bills originating in the other house and unfinished business. Beginning with the 14th week of the first session and the 12th week of the second session, each house shall consider only bills passed by both houses, bills exempt from subsection 2, and unfinished business.

4. A motion to reconsider filed and not disposed of on an action taken on a bill or resolution which is subject to a deadline under this rule may be called up at any time before or after the day of the deadline by the person filing the motion or after the deadline by the majority floor leader, notwithstanding any other rule to the contrary.

Rule 21

Resolutions

1. A "concurrent resolution" is a resolution to be adopted by both houses of the general assembly which expresses the sentiment of the general assembly or deals with temporary legislative matters. It may authorize the expenditure, for any legislative purpose, of funds appropriated to the general assembly.

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A concurrent resolution is not limited to, but may provide for a joint convention of the general assembly, adjournment or recess of the general assembly, or requests to a state agency or to the general assembly or a committee. A concurrent resolution requires the affirmative vote of a majority of the senators or representatives present and voting unless otherwise specified by statute. A concurrent resolution does not require the governor's approval unless otherwise specified by statute. A concurrent resolution shall be filed with the secretary of the senate or the chief clerk of the house. A concurrent resolution shall be printed in the bound journal after its adoption.

2. A "joint resolution" is a resolution which requires for approval the affirmative vote of a constitutional majority of each house of the general assembly. A joint resolution which appropriates funds or enacts temporary laws must contain the clause "Be It Enacted by the General Assembly of the State of Iowa:", is equivalent to a bill, and must be transmitted to the governor for approval. A joint resolution which proposes amendments to the Constitution of the State of Iowa, ratifies amendments to the Constitution of the United States, proposes a request to Congress or an agency of the government of the United States of America, proposes to Congress an amendment to the Constitution of the United States of America, nullifies an administrative rule, or creates a special commission or committee must contain the clause "Be It Resolved by the General Assembly of the State of Iowa:" and shall

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not be transmitted to the governor. A joint resolution shall not amend a statute in the Code of Iowa.

Rule 22

Nullification Resolutions

A "nullification resolution" is a joint resolution which nullifies all of an administrative rule, or a severable item of an administrative rule adopted pursuant to chapter 17A of the Code. A nullification resolution shall not amend an administrative rule by adding language or by inserting new language in lieu of existing language.

A nullification resolution is debatable, but cannot be amended on the floor of the house or senate. The effective date of a nullification resolution shall be stated in the resolution. Any motions filed to reconsider adoption of a nullification resolution must be disposed of within one legislative day of the filing.

Rule 23

Consideration of Vetoes

1. The senate and house calendar shall include a list known as the "Veto Calendar." The veto calendar shall consist of:

a. Bills returned to that house by the governor in accordance with Article III, section 16 of the Constitution of the State of Iowa.

b. Appropriations items returned to that house by the governor in accordance with Article III, section 16 of the Constitution of the State of Iowa.

c. Bills and appropriations items received from the

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other house after that house has voted to override a veto of them by the governor.

2. Vetoed bills and appropriations items shall automatically be placed on the veto calendar upon receipt. Vetoed bills and appropriations items shall not be referred to committee.

3. Upon first publication in the veto calendar, the senate majority leader or the house majority leader may call up a vetoed bill or appropriations item at any time.

4. The affirmative vote of two-thirds of the members of the body by record roll call is required on a motion to override an executive veto or item veto.

5. A motion to override an executive veto or item veto is debatable. A vetoed bill or appropriation item cannot be amended in this case.

6. The vote by which a motion to override an executive veto or item veto passes or fails to pass either house is not subject to reconsideration under senate rule 24 or house rule 73.

7. The secretary of the senate or the chief clerk of the house shall immediately notify the other house of the adoption or rejection of a motion to override an executive veto or item veto.

8. All bills and appropriations items on the veto calendar shall be disposed of before adjournment sine die, unless the house having a bill or appropriation item before it declines to do so by unanimous consent.

9. Bills and appropriations items on the veto calendar are exempt from deadlines imposed by joint

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rule 20.

Rule 24

Special Rules Regarding Redistricting

1. If, pursuant to chapter 42, either the senate or the house of representatives rejects a redistricting plan submitted by the legislative services agency, the house rejecting the plan shall convey the reasons for the rejection of the plan to the legislative services agency by resolution.

2. If, pursuant to chapter 42, the legislative services agency submits a third redistricting plan as provided by law, the senate and the house of representatives, when considering a bill embodying the third plan, shall be allowed to accept for filing as amendments only such amendments which constitute the total text of a congressional plan without striking a legislative redistricting plan, the total text of a legislative redistricting plan without striking a congressional plan, or the combined total text of a congressional plan and a legislative redistricting plan, and nonsubstantive, technical corrections to the text of any such bills or amendments.

Rule 25

Demonstrations

In order to ensure the health and safety of elected officials, employees, the public, and lobbyists, demonstrations are not permitted anywhere on the second floor of the Capitol. For purposes of this rule, "demonstration" includes the posting, wearing, or carrying of signage, setting up of tables or booths,

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1 chanting, rallies, or marches. "Demonstration" shall
2 not include the distribution of materials directly
3 to an elected official or employee of the legislature
4 or the wearing of clothing or buttons that contain
5 political statements or messages.

House Study Bill 212 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
INFORMATION TECHNOLOGY BILL
BY CHAIRPERSON LOHSE)

A BILL FOR

1 An Act relating to electronic transactions by permitting the
2 use of distributed ledger technology and smart contracts.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2479YC (1) 89
jda/rn

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Section 1. Section 554D.103, subsections 4, 7, and 8, Code 2021, are amended to read as follows:

4. *"Contract"* means the total legal obligation resulting from the parties' agreement as affected by this chapter and other applicable law. *"Contract"* includes any contract secured through distributed ledger technology and a smart contract.

7. *"Electronic record"* means a record created, generated, sent, communicated, received, or stored by electronic means. *"Electronic record"* includes any record secured through distributed ledger technology.

8. *"Electronic signature"* means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. *"Electronic signature"* includes a signature that is secured through distributed ledger technology.

Sec. 2. Section 554D.103, Code 2021, is amended by adding the following new subsections:

NEW SUBSECTION. 4A. *"Distributed ledger technology"* means an electronic record of transactions or other data to which all of the following apply:

a. The electronic record is uniformly ordered.

b. The electronic record is redundantly maintained or processed by one or more computers or machines to guarantee the consistency or nonrepudiation of the recorded transactions or other data.

c. The electronic record is validated by the use of cryptography.

NEW SUBSECTION. 14A. *"Smart contract"* means an event-driven program or computerized transaction protocol that runs on a distributed, decentralized, shared, and replicated ledger that executes the terms of a contract by taking custody over and instructing transfer of assets on the ledger.

Sec. 3. NEW SECTION. **554D.106A Use of distributed ledger technology.**

A person who, in engaging in or affecting interstate or

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foreign commerce, uses distributed ledger technology to secure information that the person owns or has the right to use retains the same rights of ownership or use with respect to such information as before the person secured the information using distributed ledger technology. This section does not apply to the use of distributed ledger technology to secure information in connection with a transaction to the extent that the terms of the transaction expressly provide for the transfer of rights of ownership or use with respect to such information.

Sec. 4. Section 554D.108, subsection 2, Code 2021, is amended to read as follows:

2. A contract shall not be denied legal effect or enforceability solely because an electronic record was used in its formation <u>or because the contract is a smart contract or contains a smart contract provision</u>.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

Code chapter 554D, the uniform electronic transactions Act, facilitates the use of electronic transactions in commerce by giving legal recognition to electronic records, signatures, and contracts. This bill modifies the Code chapter by permitting the use of distributed ledger technology and smart contracts in electronic transactions.

The bill defines "distributed ledger technology" as an electronic record of transactions or other data that is uniformly ordered, redundantly maintained or processed by one or more computers or machines to guarantee the consistency or nonrepudiation of the recorded transactions or other data, and is validated by the use of cryptography. The bill defines "smart contract" as an event-driven program or computerized transaction protocol that runs on a distributed, decentralized, shared, and replicated ledger that executes the terms of a contract by taking custody over and instructing transfer of assets on the ledger.

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The bill adds contracts secured through distributed ledger technology and smart contracts to the definition of "contract". The bill adds the concept of security through distributed ledger technology to the definitions of "electronic record" and "electronic signature".

The bill provides that a person who, in engaging in or affecting interstate or foreign commerce, uses distributed ledger technology to secure information that the person owns or has the right to use retains the same rights of ownership or use with respect to such information as before the person secured the information using distributed ledger technology, unless in connection with a transaction with terms that expressly provide for the transfer of rights of ownership or use with respect to such information.

The bill provides that a contract shall not be denied legal effect or enforceability solely because the contract is a smart contract or contains a smart contract provision.

House Amendment to
Senate File 269

S-3022

Amend Senate File 269, as passed by the Senate, as follows:

1. By striking everything after the enacting clause and inserting:

<Section 1. Section 257.8, subsections 1 and 2, Code 2021, are amended to read as follows:

1. *State percent of growth.* ~~The state percent of growth for the budget year beginning July 1, 2018, is one percent.~~ The state percent of growth for the budget year beginning July 1, 2019, is two and six hundredths percent. The state percent of growth for the budget year beginning July 1, 2020, is two and three-tenths percent. The state percent of growth for the budget year beginning July 1, 2021, is two and four-tenths percent. The state percent of growth for each subsequent budget year shall be established by statute which shall be enacted within thirty days of the transmission of the governor's budget required by February 1 under section 8.21 during the regular legislative session beginning in the base year.

2. *Categorical state percent of growth.* ~~The categorical state percent of growth for the budget year beginning July 1, 2018, is one percent.~~ The categorical state percent of growth for the budget year beginning July 1, 2019, is two and six hundredths percent. The categorical state percent of growth for the budget year beginning July 1, 2020, is two and three-tenths percent. The categorical state percent of growth for the budget year beginning July 1, 2021, is two and four-tenths percent. The categorical state percent of growth for each budget year shall be established by statute which shall be enacted within thirty days of the transmission of the governor's budget required by February 1 under section 8.21 during the regular legislative session beginning in the base year. The categorical state percent of growth may include state percents of growth for the teacher salary supplement, the professional development supplement, the early intervention supplement, the teacher leadership supplement, and for budget

years beginning on or after July 1, 2020, transportation equity aid payments under section 257.16C.

Sec. 2. Section 257.9, subsection 2, Code 2021, is amended to read as follows:

2. *Regular program state cost per pupil for 1992-1993 and succeeding years.*

a. For the budget year beginning July 1, 1992, and succeeding budget years beginning before July 1, 2018, the regular program state cost per pupil for a budget year is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year.

b. For the budget year beginning July 1, 2018, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus five dollars.

c. For the budget year beginning July 1, 2019, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus five dollars.

d. For the budget year beginning July 1, 2020, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus ten dollars.

e. For the budget year beginning July 1, 2021, the regular program state cost per pupil is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year, plus ten dollars.

~~*e.*~~ *f.* For the budget year beginning July 1, ~~2021~~ 2022, and succeeding budget years, the regular program state cost per pupil for a budget year is the regular program state cost per pupil for the base year plus the regular program supplemental state aid for the budget year.

Sec. 3. Section 257.16B, subsections 1 and 2, Code 2021, are amended to read as follows:

1. For each fiscal year beginning on or after July 1, ~~2018~~

2019, there is appropriated from the general fund of the state to the department of education an amount necessary to make all school district property tax replacement payments under this section, as calculated in subsection 2.

2. ~~*a.* For the budget year beginning July 1, 2018, the department of management shall calculate for each school district all of the following:~~

~~(1) The regular program state cost per pupil for the budget year beginning July 1, 2012, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1.~~

~~(2) The regular program state cost per pupil for the budget year beginning July 1, 2018, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1.~~

~~(3) The amount of each school district's property tax replacement payment. Each school district's property tax replacement payment equals the school district's weighted enrollment for the budget year beginning July 1, 2018, multiplied by the remainder of the amount calculated for the school district under subparagraph (2) minus the amount calculated for the school district under subparagraph (1).~~

~~*b.*~~ *a.* For the budget year beginning July 1, 2019, the department of management shall calculate for each school district all of the following:

(1) The regular program state cost per pupil for the budget year beginning July 1, 2012, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1.

(2) The regular program state cost per pupil for the budget year beginning July 1, 2019, multiplied by one hundred percent less the regular program foundation base per pupil percentage pursuant to section 257.1.

(3) The amount of each school district's property tax replacement payment. Each school district's property tax

1 replacement payment equals the school district's weighted
2 enrollment for the budget year beginning July 1, 2019,
3 multiplied by the remainder of the amount calculated for
4 the school district under subparagraph (2) minus the amount
5 calculated for the school district under subparagraph (1).
6 ~~*c.*~~ *b.* For ~~each~~ the budget year beginning ~~on or after~~ July
7 1, 2020, the department of management shall calculate for each
8 school district all of the following:
9 (1) The regular program state cost per pupil for the budget
10 year beginning July 1, 2012, multiplied by one hundred percent
11 less the regular program foundation base per pupil percentage
12 pursuant to section 257.1.
13 (2) The regular program state cost per pupil for the budget
14 year beginning July 1, 2020, multiplied by one hundred percent
15 less the regular program foundation base per pupil percentage
16 pursuant to section 257.1.
17 (3) The amount of each school district's property tax
18 replacement payment. Each school district's property tax
19 replacement payment equals the school district's weighted
20 enrollment for the budget year beginning July 1, 2020,
21 multiplied by the remainder of the amount calculated for
22 the school district under subparagraph (2) minus the amount
23 calculated for the school district under subparagraph (1).
24 *c.* For each budget year beginning on or after July 1, 2021,
25 the department of management shall calculate for each school
26 district all of the following:
27 (1) The regular program state cost per pupil for the budget
28 year beginning July 1, 2012, multiplied by one hundred percent
29 less the regular program foundation base per pupil percentage
30 pursuant to section 257.1.
31 (2) The regular program state cost per pupil for the budget
32 year beginning July 1, 2021, multiplied by one hundred percent
33 less the regular program foundation base per pupil percentage
34 pursuant to section 257.1.
35 (3) The amount of each school district's property tax

replacement payment. Each school district's property tax replacement payment equals the school district's weighted enrollment for the budget year multiplied by the remainder of the amount calculated for the school district under subparagraph (2) minus the amount calculated for the school district under subparagraph (1).

Sec. 4. Section 257.16C, subsection 3, paragraph d, subparagraph (3), Code 2021, is amended to read as follows:

(3) For ~~each~~ the fiscal year beginning ~~on or after~~ July 1, 2021, there is appropriated from the general fund of the state to the department of management for deposit in the transportation equity fund ~~the sum of the following, or so much thereof as is necessary~~ an amount necessary to make all transportation equity aid payments under subsection 2, to be used for the purposes of this section~~:~~.

~~(a) The amount appropriated to the transportation equity fund under this paragraph for the immediately preceding fiscal year.~~

~~(b) The product of the amount determined under subparagraph division (a) multiplied by the categorical percent of growth under section 257.8, subsection 2, for the budget year beginning on the same date of the fiscal year for which the appropriation is made.~~

Sec. 5. Section 257.16C, subsection 3, paragraph d, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (4) For each fiscal year beginning on or after July 1, 2022, there is appropriated from the general fund of the state to the department of management for deposit in the transportation equity fund the sum of the following, or so much thereof as is necessary, to be used for the purposes of this section:

(a) The amount appropriated to the transportation equity fund under this paragraph for the immediately preceding fiscal year.

(b) The product of the amount determined under subparagraph

1 division (a) multiplied by the categorical percent of growth
2 under section 257.8, subsection 2, for the budget year
3 beginning on the same date of the fiscal year for which the
4 appropriation is made.
5 Sec. 6. CODE SECTION 257.8 — IMPLEMENTATION. The
6 requirements of section 257.8, subsections 1 and 2, regarding
7 the enactment of bills establishing the state percent of growth
8 and the categorical state percent of growth within thirty
9 days of the transmission of the governor's budget required by
10 February 1 under section 8.21 during the regular legislative
11 session beginning in the base year, do not apply to this Act.
12 Sec. 7. EFFECTIVE DATE. This Act, being deemed of immediate
13 importance, takes effect upon enactment.>
14 2. Title page, by striking lines 1 through 9 and inserting
15 <An Act relating to public school funding by establishing the
16 state percent of growth and the categorical state percent of
17 growth for the budget year beginning July 1, 2021, modifying
18 provisions relating to the regular program state cost per
19 pupil, modifying provisions relating to the property tax
20 replacement payment and the transportation equity payments, and
21 including effective date provisions.>

Senate File 324

S-3023

1 Amend Senate File 324 as follows:

2 1. Page 1, line 34, after <Masturbation> by inserting <,

3 which means the same as *"masturbate"* as defined in section

4 709.9, subsection 2, paragraph *"c"*>

_____

CRAIG JOHNSON

Senate File 358 - Introduced

SENATE FILE 358
BY EDLER

A BILL FOR

1 An Act relating to an exception to electronic prescribing of a
2 prescription drug.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2543XS (1) 89
pf/rh

S.F. 358

Section 1. Section 124.308, subsection 2, paragraph c, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (10) A prescription that will be dispensed in a jurisdiction outside the state or by a pharmacy of the patient's choice as provided in section 147.107, if the prescription is an original signed prescription provided to a patient or a patient's authorized representative.

Sec. 2. Section 155A.27, subsection 2, paragraph b, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (12) A prescription that will be dispensed in a jurisdiction outside the state or by a pharmacy of the patient's choice as provided in section 147.107, if the prescription is an original signed prescription provided to a patient or a patient's authorized representative.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill provides for an exception to the requirement that all prescriptions for prescription drugs be transmitted electronically as an electronic prescription to a pharmacy by a prescriber or a prescriber's authorized agent. Under the bill, a prescription, including a controlled substance, that will be dispensed in a jurisdiction outside the state or by a pharmacy of the patient's choice is exempt from the electronic prescribing requirement if the prescription is an original signed prescription provided to a patient or a patient's authorized representative. The written prescription is subject to other requirements for a written prescription as currently provided by law.

Senate File 359 - Introduced

SENATE FILE 359
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO SSB 1121)

A BILL FOR

1 An Act relating to the powers and duties of the department of
2 agriculture and land stewardship, including by providing for
3 administration, programs, and regulations, providing fees,
4 providing penalties, and making penalties applicable.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1366SV (2) 89
da/ns

S.F. 359

DIVISION I

DEPARTMENTAL ORGANIZATION

Section 1. Section 159.5, subsection 7, Code 2021, is amended to read as follows:

7. ~~Establish and maintain a marketing news service bureau in the department which shall, in cooperation with the federal market news and grading division~~ Cooperate with the agricultural marketing service of the United States department of agriculture~~,~~ to collect and disseminate data and information relative to the market prices and conditions of agricultural products raised, produced, and handled in the state.

DIVISION II

ANIMALS

Sec. 2. Section 162.2A, subsection 3, paragraph d, Code 2021, is amended by striking the paragraph.

DIVISION III

COMMODITY PRODUCTION AND SALE

PART A

FARM-TO-SCHOOL ACT

Sec. 3. Section 190A.1, Code 2021, is amended by striking the section and inserting in lieu thereof the following:

190A.1 Short title.

This chapter shall be known and may be cited as the *"Farm-to-School Act"*.

Sec. 4. NEW SECTION. **190A.2 Definitions.**

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

1. *"Department"* means the department of agriculture and land stewardship.

2. *"Food animal"* means an animal belonging to the bovine, caprine, ovine, or porcine species; turkeys, chickens, or other types of poultry; farm deer as defined in section 170.1; fish or other aquatic organisms confined in private waters for human consumption; or bees.

3. *"Food commodity"* means any of the following:

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a. A food animal.

b. An item regularly generated by a food animal, including milk, eggs, or honey, that has been collected, and that is to be processed into a food product.

c. Sap or whole produce, including vegetables or fruit, that has been harvested and that is to be processed into a food product.

4. *"Food product"* means a perishable or nonperishable product derived from processing a food commodity to be fit for human consumption, including but not limited to pasteurized milk or dairy products, washed shelled eggs, cut and washed produce, honey, maple syrup, unshelled or shelled nuts, cuts of meat or poultry, or cuts of fish or shelled aquatic items.

5. *"Fund"* means the farm-to-school fund created in section 190A.5.

6. *"Process"* means to prepare a food commodity in a manner that allows it to be sold to consumers as a food product, including by altering the form or identity of the commodity; trimming, cutting, cleaning, drying, filtering, sorting, or shelling the commodity; or packaging the commodity.

7. *"Program"* means the farm-to-school program created in section 190A.6.

8. *"School"* means a public school or nonpublic school, as those terms are defined in section 280.2, or that portion of a public school or nonpublic school that provides facilities for teaching any grade from kindergarten through grade twelve.

9. *"School district"* means a school district as described in chapter 274.

Sec. 5. Section 190A.3, subsection 1, Code 2021, is amended to read as follows:

1. The farm-to-school program shall seek to link elementary and secondary public and nonpublic schools in this state with Iowa farms to provide schools with ~~fresh and minimally processed~~ wholesome, locally produced food for inclusion in school meals and snacks, encourage children to develop healthy

eating habits, and provide Iowa farmers access to consumer markets.

Sec. 6. NEW SECTION. **190A.5 Farm-to-school fund.**

1. A farm-to-school fund is created in the state treasury under the management and control of the department.

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

3. Moneys in the fund are appropriated to support the program in a manner determined by the department, including for reasonable administrative costs incurred by the department. Moneys expended from the fund shall not require further special authorization by the general assembly.

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

b. Notwithstanding section 8.33, moneys credited to the fund that remain unencumbered or unobligated at the end of a fiscal year shall not revert but shall remain available for the purposes designated.

Sec. 7. NEW SECTION. **190A.6 Farm-to-school program.**

1. A farm-to-school program is created. The program shall be controlled and administered by the department.

2. The purpose of the program is to assist schools and school districts in purchasing food products derived from food commodities produced on a farm.

3. The department shall reimburse a school or school district for expenditures incurred by the school or school district during the school year in which the school or school district is participating in the program to purchase food products derived from food commodities produced on a farm.

4. A school or school district must apply each year to the department to participate in the program according to rules adopted by the department pursuant to chapter 17A.

5. To be eligible to participate in the program, a school or

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school district must purchase a food product directly from a farm source as follows:

a. The farm source must be any of the following:

(1) A farm where a food commodity is produced, if the food commodity is processed into a food product on the farm for sale to a consumer.

(2) A business premises that is directly shipped a food commodity from a farm, if the food commodity is processed into a food product on the business premises for sale to a consumer.

(3) A business premises that is directly shipped a food product from a farm, if the food product is purchased for resale to a consumer or is distributed to a consumer on behalf of a farmer.

b. The farm source must comply with all applicable laws regulating the sale of food.

c. The farm source must be located within thirty miles of the school or the school district's border.

6. The department shall require proof of purchase prior to reimbursing the school or school district for the purchase of food products.

7. The department may administer the program in cooperation with the department of education and the participating school or school district in which a participating school is located.

8. *a.* The department shall reimburse a participating school or school district that submits a claim as required by the department. The department shall pay the claim on a matching basis with the department contributing one dollar for every three dollars expended by the school or school district. However, a school or school district shall not receive more than one thousand dollars during any year in which it participates in the program.

b. Notwithstanding paragraph *"a"*, if the department determines that there are sufficient moneys in the fund to satisfy all claims that may be submitted by schools and school districts, the department shall provide for the distribution

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of the available moneys in a manner determined equitable by the department, which may include a prorated distribution to participating schools and school districts.

PART B

FERTILIZERS AND SOIL CONDITIONERS

Sec. 8. Section 200.3, subsection 24, Code 2021, is amended by striking the subsection.

Sec. 9. Section 200.14, Code 2021, is amended to read as follows:

200.14 Rules.

1. *a.* The ~~secretary is authorized, after public hearing, following due notice, to~~ department may adopt rules ~~setting forth~~ pursuant to chapter 17A providing minimum general safety standards for the design, construction, location, installation, and operation of equipment for storage, handling, transportation by tank truck or tank trailer, and utilization of ~~anhydrous ammonia~~ fertilizers and soil conditioners.

~~*a.*~~ *b.* The rules shall be such as are reasonably necessary for the protection and safety of the public and persons using ~~anhydrous ammonia~~ fertilizers or soil conditioners, and shall be in substantial conformity with the generally accepted standards of safety.

~~*b.* Rules that are in substantial conformity with the published standards of the agricultural ammonia institute for the design, installation and construction of containers and pertinent equipment for the storage and handling of anhydrous ammonia, shall be deemed to be in substantial conformity with the generally accepted standards of safety.~~

~~2.~~ *c.* ~~Anhydrous ammonia~~ Fertilizer and soil conditioner equipment shall be installed and maintained in a safe operating condition and in conformity with rules adopted by the ~~secretary~~ department.

~~3.~~ 2. The ~~secretary shall enforce this chapter and, after due publicity and due public hearing,~~ department may adopt such reasonable rules as may be necessary in order to carry into

effect the purpose, ~~and intent~~ and to secure the efficient administration, of this chapter.

~~4.~~ 3. This chapter does not prohibit the use of storage tanks smaller than transporting tanks nor the transfer of all kinds of ~~fertilizer including anhydrous ammonia~~ fertilizers or soil conditioners directly from transporting tanks to implements of husbandry, if proper safety precautions are observed.

DIVISION IV

WEIGHTS AND MEASURES

PART A

GENERAL

Sec. 10. Section 214.1, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 6. *"Weighmaster"* means a person who keeps and regularly uses a commercial weighing and measuring device to accurately weigh objects for others as part of the person's business operated on a profit, cooperative, or nonprofit basis.

Sec. 11. Section 214.3, subsection 1, Code 2021, is amended to read as follows:

1. ~~The~~ A license issued by the department for the inspection of a commercial weighing and measuring device shall expire on December 31 of each year, and for a motor fuel pump on June 30 of each year. ~~The amount of the fee due for each license shall be as provided in subsection 3, except that the fee for a motor fuel pump shall be four dollars and fifty cents if paid within one month from the date the license is due.~~

Sec. 12. Section 214.3, subsection 3, paragraph e, subparagraph (2), Code 2021, is amended to read as follows:

(2) Retail motor fuel pump, ~~nine~~ four dollars and fifty cents.

Sec. 13. Section 214.4, subsection 1, unnumbered paragraph 1, Code 2021, is amended to read as follows:

If the department does not receive payment of the license fee required pursuant to section 214.3 within one month from

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the due date, the department shall ~~send~~ deliver a notice to the owner or operator of the device. ~~The notice shall be delivered by certified mail.~~ The notice shall state all of the following:

Sec. 14. Section 214.6, Code 2021, is amended to read as follows:

214.6 ~~Oath~~ Duties of ~~weighmasters~~ weighmaster.

~~All persons keeping a commercial weighing and measuring device, before entering upon their duties as weighmasters,~~ A weighmaster shall ~~be sworn before some person having authority to administer oaths, to keep their~~ ensure that a commercial weighing and measuring device is correctly balanced~~,~~ to make true weights, and ~~to~~ shall render a correct account to the person having weighing done.

Sec. 15. Section 214.11, Code 2021, is amended to read as follows:

214.11 Inspections — recalibrations — penalty.

1. The department shall provide for annual inspections of all motor fuel pumps, including but not limited to motor fuel blender pumps, licensed under this chapter. Inspections shall be for the purpose of determining the accuracy ~~of the pumps' measuring mechanisms, and for such~~ and correctness of motor fuel pumps. For that purpose the department's inspectors may enter upon the premises of any wholesale dealer or retail dealer~~, as they are defined in section 214A.1, of motor fuel or fuel oil within this state~~.

2. Upon completion of an inspection, the inspector shall affix the department's seal to the measuring mechanism of the motor fuel pump. The seal shall be appropriately marked, dated, and recorded by the inspector. If the owner of an inspected and sealed motor fuel pump is registered with the department as a servicer in accordance with section 215.23, or employs a person so registered as a servicer, the owner or other servicer may open the motor fuel pump, break the department's seal, recalibrate the measuring mechanism if

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necessary, and reseal the motor fuel pump as long as the department is notified of the recalibration within forty-eight hours, ~~on a form~~ in a manner provided by the department.

~~2.~~ 3. A person violating a provision of this section is, upon conviction, guilty of a simple misdemeanor.

PART B

MOTOR FUEL

Sec. 16. Section 214A.2A, subsection 1, Code 2021, is amended to read as follows:

1. Fuel which is sold or is kept, offered, or exposed for sale as kerosene shall be labeled as kerosene. The label shall include the word "kerosene" ~~and a~~ or the designation ~~as either "K1" or "K2"~~ "K1 kerosene", and shall indicate that the kerosene is in compliance with the standard specification adopted by A.S.T.M. international specification D3699 (1982).

Sec. 17. REPEAL. Section 214A.15, Code 2021, is repealed.

PART C

INSPECTIONS

Sec. 18. Section 215.4, Code 2021, is amended to read as follows:

215.4 Tag for inaccurate or incorrect device — reinspection — license fee.

A commercial weighing and measuring device found to be inaccurate or incorrect upon inspection by the department shall be rejected or tagged "condemned until repaired" and the ~~"licensed for commercial use"~~ inspection sticker shall be removed. If notice is received by the department that the device has been repaired and upon reinspection the device is found to be accurate or correct, ~~the~~ a license fee ~~shall not~~ may be charged for the reinspection. However, a second license fee shall be charged if upon reinspection the device is found to be inaccurate. The device shall be tagged "condemned" and removed from service if a third reinspection fails.

Sec. 19. Section 215.7, Code 2021, is amended to read as follows:

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215.7 Transactions by false weights or measures.

1. A person shall be deemed to have violated the provisions of this chapter ~~and shall be punished as provided in chapter 189,~~ if the person does any of the following ~~apply~~:

~~1.~~ *a.* ~~The person sells~~ Sells, trades, delivers, charges for, or claims to have delivered to a purchaser an amount of any commodity which is less in weight or measure than that which is asked for, agreed upon, claimed to have been delivered, or noted on the delivery ticket.

~~2.~~ *b.* ~~The person makes~~ Makes a settlement for or enters a credit, based upon any false weight or measurement, for any commodity purchased.

~~3.~~ *c.* ~~The person makes~~ Makes a settlement for or enters a credit, based upon any false weight or measurement, for any labor where the price of producing or mining is determined by weight or measure.

~~4.~~ *d.* ~~The person records~~ Records a false weight or measurement upon the weight ticket or book.

2. The department may adopt rules pursuant to chapter 17A that allow for reasonable variations and exceptions for small packages.

3. A person who violates this section is guilty of a simple misdemeanor.

Sec. 20. Section 215.23, Code 2021, is amended to read as follows:

215.23 Servicer's license.

1. ~~A servicer shall not install, service, or repair a commercial weighing and measuring device until the servicer has demonstrated that the servicer has available adequate testing equipment, and that the servicer possesses a working knowledge of all devices the servicer intends to install or repair and of all appropriate weights, measures, statutes, and rules, as evidenced by passing a qualifying examination to be conducted by the department and obtaining a license. The secretary of agriculture shall establish by rule pursuant to~~

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~~chapter 17A, requirements for and contents of the examination.~~ The department may adopt rules pursuant to chapter 17A setting forth qualification requirements for persons applying for a servicer's license, including an examination.

2. In determining ~~these~~ a servicer's qualifications, the ~~secretary shall~~ department may consider the specifications of the United States national institute of standards and technology, handbook 44, "Specifications, Tolerances, and Technical Requirements for Weighing and Measuring Devices", or the current successor or equivalent specifications adopted by the United States national institute of standards and technology.

3. The ~~secretary shall~~ department may require ~~an annual~~ the payment of a license fee ~~of not more than five dollars~~ for an amount established by rule for each license issued under this section.

4. ~~Each~~ A license shall expire ~~one year~~ two years from its date of issuance.

Sec. 21. REPEAL. Sections 215.3 and 215.8, Code 2021, are repealed.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

GENERAL. This bill amends, enacts, or repeals a number of provisions administered or regulated by the department of agriculture and land stewardship (DALS) as codified in Title V of the Code, including in subtitle 1, which includes a number of general provisions, subtitle 2, which includes provisions regulating animal industry, and subtitle 4, which provides for agricultural commodities and products in addition to related activities.

SUBTITLE 1 — ADMINISTRATION. The bill eliminates a requirement that DALS maintain a marketing news service bureau, but retains a requirement that it cooperate with the agricultural marketing service of the United States department

of agriculture (Code section 159.5).

SUBTITLE 2 — COMMERCIAL ESTABLISHMENTS. The bill eliminates a requirement that an application form for the issuance or renewal of an authorization to operate a commercial establishment include the applicant's identification number, which may be a tax identification number.

SUBTITLE 4 — FARM-TO-SCHOOL PROGRAM. The bill amends provisions creating a farm-to-school program administered by DALS under Code chapter 190A. The program assists schools and school districts in purchasing food products derived from food commodities produced on a farm and either processed on the farm or processed at a business premises (referred to as a farm source) located within 30 miles of the school or school district's borders. A food product is a perishable or nonperishable product derived from processing a food commodity including pasteurized milk or dairy products, washed shelled eggs, cut and washed produce, honey, maple syrup, unshelled or shelled nuts, cuts of meat or poultry, or cuts of fish or shelled aquatic items. DALS may reimburse a school or school district for expenditures for such products to the extent moneys are available to support the program. The available moneys would be allocated during the school year on a matching basis, subject to a $1,000 cap. The bill also creates a farm-to-school fund to support the program.

FERTILIZERS AND SOIL CONDITIONERS. The bill authorizes DALS to adopt rules regulating the design, construction, location, installation, and operation of equipment associated with the use of fertilizers and soil conditioners (Code sections 200.3 and 200.14). Current law allows DALS to adopt such rules regulating anhydrous ammonia equipment. The bill also eliminates a requirement that such rules be in conformity with the published standards of the agricultural ammonia institute. A person violating such rules is guilty of a simple misdemeanor (Code section 200.18).

WEIGHTS AND MEASURES (GENERAL). The bill amends a number

of provisions regulating weights and measures, including the inspection of associated devices. The bill reduces the fee for the inspection of motor fuel pumps from $9 to $4.50 (the same amount due under current law if the inspection fee is paid early) (Code section 214.3). The bill no longer requires that DALS deliver a late payment notice to an owner or operator of a device by certified mail (Code section 214.4). The bill eliminates a requirement that a weighmaster (a person who keeps and uses a device as part of a business) must take an oath (Code sections 214.1 and 214.6).

WEIGHTS AND MEASURES (MOTOR FUEL). The bill revises requirements for the labeling of kerosene (Code section 214A.2A). The bill also repeals a provision prohibiting a person from placing gasoline into a receptacle, unless the receptacle states a warning (Code section 214A.15).

WEIGHTS AND MEASURES (INSPECTIONS). The bill provides that DALS may but is no longer required to charge a license fee for a device that has been taken out of service due to a repair and reinspected (Code section 215.4). The bill allows DALS to make an exception in a case where a commercial transaction involves a small package, and the person would otherwise be guilty of a simple misdemeanor because the person stated a false weight or measure (Code section 215.7). The bill provides for the regulation of a servicer (a person employed to install, service, or repair a device), by eliminating an examination requirement and allowing DALS to require qualification standards which may include an examination (Code sections 215.1 and 215.23). The bill provides for a two-year rather than annual servicer license and allows DALS to establish the license fee. The annual license fee is currently $5. The bill eliminates a provision that allows DALS to charge a complaining party an inspection fee, if the complaint was unfounded (Code section 215.3). The bill repeals a provision that authorizes DALS to establish reasonable variances in the weighing and measuring of small packages (Code section 215.8).

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1 That qualification is incorporated in the amendments to the
2 provision regulating small package transactions (Code section
3 215.7).
4 CRIMINAL PENALTIES. A simple misdemeanor is punishable by
5 confinement for no more than 30 days or a fine of at least $105
6 but not more than $855 or by both.

Senate File 360 - Introduced

SENATE FILE 360
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO SSB 1144)

(COMPANION TO HF 484 BY
COMMITTEE ON AGRICULTURE)

A BILL FOR

1 An Act relating to the beginning farmer tax credit program, by
2 modifying participation and lease agreement requirements and
3 tax credit amounts, and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1885SV (1) 89
da/jh

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Section 1. Section 16.58, subsections 1, 2, and 3, Code 2021, are amended to read as follows:

1. *"Agricultural assets"* means agricultural land, agricultural improvements, depreciable agricultural property, crops, or livestock.

2. *"Agricultural ~~improvements"~~ improvement"* means any improvements, including buildings, structures, or fixtures suitable for use in farming, ~~which are~~ if located on any size parcel of agricultural land.

3. *"Agricultural land"* means land suitable for use in farming, any portion of which may include an agricultural improvement.

Sec. 2. Section 16.77, subsection 2, Code 2021, is amended to read as follows:

2. *"Agricultural lease agreement"* or *"agreement"* means an agreement for the transfer of agricultural assets~~, that must at least include a lease of agricultural land,~~ from an eligible taxpayer to a qualified beginning farmer as provided in section 16.79A.

Sec. 3. Section 16.79A, subsection 1, Code 2021, is amended to read as follows:

1. *a.* A beginning farmer tax credit is allowed only for agricultural assets that are subject to an agricultural lease agreement entered into by an eligible taxpayer and a qualifying beginning farmer participating in the beginning farmer tax credit program established pursuant to section 16.78.

b. The tax credit is allowed regardless of whether the principle agricultural asset is soil, pasture, or a building or other structure used in farming.

Sec. 4. Section 16.79A, subsection 2, Code 2021, is amended to read as follows:

2. The agreement must include the lease of agricultural land located in this state~~, including any~~ or agricultural improvements located in this state, and may provide for the rental of agricultural equipment as defined in section 322F.1.

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Sec. 5. Section 16.79A, subsection 3, paragraph c, Code 2021, is amended to read as follows:

c. The agreement must be for at least two years, but not more than five years. The agreement may be renewed any number of times by the eligible taxpayer and qualified beginning farmer for a term of at least two years, but not more than five years. However, an eligible taxpayer shall not participate in the program for more than fifteen years.

Sec. 6. Section 16.81, subsection 4, Code 2021, is amended by striking the subsection.

Sec. 7. Section 16.81, subsection 6, Code 2021, is amended to read as follows:

6. The authority shall approve all beginning farmer tax credit applications that meet the requirements of this subpart and make tax credit awards on a first-come, first-served basis, subject to the limitations in section 16.82A. An eligible taxpayer may apply and be approved to enter into agreements with different qualified beginning farmers.

Sec. 8. Section 16.82, subsection 5, Code 2021, is amended to read as follows:

5. The amount of tax credits that may be awarded to an eligible taxpayer for any one year under ~~all agreements~~ an agreement shall not exceed fifty thousand dollars.

Sec. 9. BEGINNING FARMER TAX CREDIT PROGRAM — FORMER PERIOD OF PARTICIPATION EXTENDED. An eligible taxpayer first participating in the beginning farmer tax credit program on or after January 1, 2019 as provided in 2019 Iowa Acts, chapter 161, for a tax year beginning on or after that date, may participate in the program for not more than fifteen years in the same manner as provided in section 16.79A, as amended by this Act.

Sec. 10. EFFECTIVE DATE. This Act takes effect January 1, 2022.

EXPLANATION

The inclusion of this explanation does not constitute agreement with

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1 the explanation's substance by the members of the general assembly.
2 GENERAL. This bill provides for the participation of an
3 eligible taxpayer (taxpayer) and qualified beginning farmer
4 (beginning farmer) in the beginning farmer tax credit program
5 (program) (Code section 16.81(4)). Under the program, a tax
6 credit is awarded to a taxpayer who transfers agricultural
7 assets to a beginning farmer by agricultural lease agreement
8 (agreement). The transferred agricultural assets include
9 agricultural land and improvements, as well as depreciable
10 agricultural property. The agreement must be approved by the
11 Iowa finance authority (authority) (Code section 16.79A) who
12 issues a tax credit certificate to the taxpayer on an annual
13 basis for the period of the agreement (Code section 16.81).
14 LEASE OF AGRICULTURAL LAND WHICH INCLUDES IMPROVEMENTS
15 (BUILDINGS). The bill provides that the agreement may provide
16 for lease of any size parcel of agricultural land and an
17 improvement such as a building (amended Code section 16.58(1),
18 (2), and (3)). The principal agricultural asset transferred in
19 the agreement may be agricultural land or a building or other
20 structure used in farming (amended Code section 16.79A(1)).
21 PARTICIPATION IN THE PROGRAM — FROM 10 TO 15 YEARS.
22 The bill increases from 10 to 15 the number of years that
23 a taxpayer may participate in the program. (amended Code
24 section 16.79A(3)). The extended years of participation
25 apply retroactively to a taxpayer previously approved by the
26 authority to participate in the program (amendment Code section
27 16.82(5)).
28 PARTICIPATION IN THE PROGRAM — TAX CREDIT CERTIFICATES
29 AND AWARDS. The bill provides that a taxpayer may claim
30 multiple tax credits under the program (amended Code sections
31 16.79A(3) and 16.81(6)) so long as each tax credit is based
32 on an agreement approved by the authority (amended Code
33 section 16.81(6)). It also provides that the current $50,000
34 limitation on tax credits that can be claimed by a taxpayer
35 applies to each rather than all such agreements (amended Code

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1 section 16.82(5)).
2 BACKGROUND. Generally, in order to qualify as a beginning
3 farmer, a person must have a low or moderate net worth, be able
4 to successfully engage in farming, and promise to materially
5 participate in the farming operation (Code sections 16.58(6)
6 and (10), and 16.79(2)). The amount of the tax credit depends
7 upon the type of payment arrangement provided in the agreement,
8 including a fixed amount (5 percent of cash rent payment) or
9 some form or risk-sharing between the parties (15 percent of
10 the market price of the commodity produced on the leasehold).
11 A taxpayer may claim the tax credit in the applicable tax year
12 up to the taxpayer's liability. Any amount of the unused tax
13 credit may be applied to reduce the taxpayer's liability for
14 each of the following 10 years until depleted, whichever comes
15 first; and cannot be refunded (Code section 16.82(7)).
16 EFFECTIVE DATE. The bill takes effect on January 1, 2022.

Senate File 361 - Introduced

SENATE FILE 361
BY COMMITTEE ON LABOR AND
BUSINESS RELATIONS

(SUCCESSOR TO SSB 1055)

A BILL FOR

1 An Act concerning private sector employee drug testing.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1787SV (2) 89
je/rn

S.F. 361

Section 1. Section 730.5, subsection 1, paragraph j, Code 2021, is amended to read as follows:

j. "Safety-sensitive position" means a ~~job~~ position designated by the employer as one wherein an accident could cause loss of human life, serious bodily injury, or significant property or environmental damage, including a job with duties that include immediate supervision of a person in a job that meets the requirement of this paragraph.

Sec. 2. Section 730.5, subsection 7, paragraph j, subparagraph (1), Code 2021, is amended to read as follows:

(1) If a confirmed positive test result for drugs or alcohol for a current employee is reported to the employer by the medical review officer, the employer shall notify the employee in writing delivered in person, by certified mail, return receipt requested, or by electronic notification of the results of the test, the employee's right to request and obtain a confirmatory test of the second sample collected pursuant to paragraph *"b"* at an approved laboratory of the employee's choice, and the fee payable by the employee to the employer for reimbursement of expenses concerning the test. The fee charged an employee shall be an amount that represents the costs associated with conducting the second confirmatory test, which shall be consistent with the employer's cost for conducting the initial confirmatory test on an employee's sample. If the employee, in person, ~~or~~ by certified mail, return receipt requested, or by electronic notification, requests a second confirmatory test, identifies an approved laboratory to conduct the test, and pays the employer the fee for the test within seven days from the date the employer delivers in person, mails by certified mail, return receipt requested, or delivers electronically the written notice to the employee of the employee's right to request a test, a second confirmatory test shall be conducted at the laboratory chosen by the employee. The results of the second confirmatory test shall be reported to the medical review officer who reviewed

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the initial confirmatory test results and the medical review officer shall review the results and issue a report to the employer on whether the results of the second confirmatory test confirmed the initial confirmatory test as to the presence of a specific drug or alcohol. If the results of the second test do not confirm the results of the initial confirmatory test, the employer shall reimburse the employee for the fee paid by the employee for the second test and the initial confirmatory test shall not be considered a confirmed positive test result for drugs or alcohol for purposes of taking disciplinary action pursuant to subsection 10.

Sec. 3. Section 730.5, subsection 9, paragraph a, subparagraphs (1) and (2), Code 2021, are amended to read as follows:

(1) Drug or alcohol testing or retesting by an employer shall be carried out within the terms of a written policy which has been provided to every employee subject to testing, and is available for review by employees and prospective employees. If an employee or prospective employee is a minor, the employer shall provide a copy of the written policy to a parent of the employee or prospective employee and shall obtain a receipt or acknowledgment from the parent that a copy of the policy has been received. Providing a copy of the written policy to a parent or minor in person, by certified mail, return receipt requested, or by electronic notification shall satisfy the requirements of this subparagraph.

(2) In addition, the written policy shall provide that any notice required by subsection 7, paragraph *"j"*, to be provided to an individual pursuant to a drug or alcohol test conducted pursuant to this section, shall also be provided to the parent of the individual in person, by certified mail, return receipt requested, or by electronic notification if the individual tested is a minor.

Sec. 4. Section 730.5, subsection 15, Code 2021, is amended to read as follows:

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15. *Civil remedies.*

~~*a.*~~ This section may be enforced through a civil action.

~~(1)~~ *a.* A person who violates this section or who aids in the violation of this section is liable to an aggrieved employee or prospective employee for affirmative relief including reinstatement or hiring, with or without back pay, or any other equitable relief as the court deems appropriate including reasonable attorney fees and court costs. An aggrieved employee or prospective employee has the burden of proving by clear and convincing evidence that a violation of this section directly caused any damages for which affirmative relief is sought.

~~(2)~~ *b.* When a person commits, is committing, or proposes to commit, an act in violation of this section, an injunction may be granted through an action in district court to prohibit the person from continuing such acts. The action for injunctive relief may be brought by an aggrieved employee or prospective employee, the county attorney, or the attorney general.

~~*b.* In an action brought under this subsection alleging that an employer has required or requested a drug or alcohol test in violation of this section, the employer has the burden of proving that the requirements of this section were met.~~

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to Code section 730.5, concerning private sector employee drug testing.

Under current law, "safety-sensitive position", for purposes of Code section 730.5, is defined as a job wherein an accident could cause loss of human life, serious bodily injury, or significant property or environmental damage, including a job with duties that include immediate supervision of a person in a safety-sensitive position. The bill provides that the definition applies to positions designated as safety sensitive positions by the employer.

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The bill provides that various notifications required under current law to be provided by certified mail, return receipt requested, can also be provided in person or by electronic notification.

The bill provides that attorney fees awarded to an aggrieved employee or prospective employee as part of affirmative relief in a civil action for a violation of Code section 730.5 must be reasonable. In such an action, the bill provides that an aggrieved employee or prospective employee has the burden of proving by clear and convincing evidence that a violation of Code section 730.5 directly caused any damages for which affirmative relief is sought.

The bill strikes language providing that in a legal action alleging that an employer has required or requested a drug or alcohol test in violation of Code section 730.5, the employer has the burden of proving that the requirements of Code section 730.5 were met.

Senate File 362 - Introduced

SENATE FILE 362
BY COMMITTEE ON LABOR AND
BUSINESS RELATIONS

(SUCCESSOR TO SSB 1030)

A BILL FOR

1 An Act relating to the treatment of adoptive parent employees
2 and making penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1633SV (1) 89
je/rn

S.F. 362

Section 1. NEW SECTION. **91A.5B Treatment of adoptive parent employees.**

1. For purposes of this section, *"adoption"* means the permanent placement in this state of a child by the department of human services, by a licensed agency under chapter 238, by an agency that meets the provisions of the interstate compact in section 232.158, or by a person making an independent placement according to the provisions of chapter 600.

2. An employer shall treat an employee who chooses to adopt a child up to eighteen years of age in the same manner as an employee who is the biological parent of a newborn child for purposes of employment policies, benefits, and protections for the first year of the adoption.

3. Notwithstanding subsection 2, an employee shall not be entitled to disability leave without a qualifying disability under an employer's disability policies.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill requires an employer under Code chapter 91A to treat an employee who chooses to adopt a child up to 18 years of age in the same manner as an employee who is the biological parent of a newborn child for purposes of employment policies, benefits, and protections for the first year of the adoption. An employee shall not be entitled to disability leave without a qualifying disability under an employer's disability policies.

The bill defines "adoption" as the permanent placement in this state of a child by the department of human services, by a licensed agency under Code chapter 238, by an agency that meets the provisions of the interstate compact in Code section 232.158, or by a person making an independent placement according to the provisions of Code chapter 600.

Code section 91A.2 defines "employer" as a person, as defined in Code chapter 4, who in this state employs for wages a natural person. The definition specifies that an employer

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1 does not include a client, patient, customer, or other person
2 who obtains professional services from a licensed person
3 who provides the services on a fee service basis or as an
4 independent contractor.
5 Code section 91A.2 defines "employee" as a natural person
6 who is employed in this state for wages by an employer.
7 Code section 91A.2 specifies that "employee" also includes a
8 commission salesperson who takes orders or performs services
9 on behalf of a principal and who is paid on the basis of
10 commissions but does not include persons who purchase for their
11 own account for resale. Code section 91A.2 also excludes
12 certain persons engaged in agriculture from the definition of
13 "employee".
14 Code chapter 91A is administered and enforced by the
15 labor commissioner. A violation of Code chapter 91A or the
16 administrative rules promulgated under it is subject to a
17 civil penalty of not more than $500 per pay period for each
18 violation.

Senate File 363 - Introduced

SENATE FILE 363
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 226)
(SUCCESSOR TO SF 43)

A BILL FOR

1 An Act relating to the regulation of certain tobacco products,
2 and providing penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1117SZ (3) 89
pf/jh

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Section 1. NEW SECTION. **453E.1 Definitions.**

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

1. *"Business"* means any trade, occupation, activity, or enterprise engaged in for the purpose of selling or distributing tobacco products and devices in this state.

2. *"Consumer"* means any person who has title to or possession of devices in storage, for use or other consumption in this state.

3. *"Controlled substance"* means controlled substance as defined in section 124.101.

4. *"Delivery sale"* means any sale of a device to a purchaser in this state where the purchaser submits the order for such sale by means of a telephonic or other method of voice transmission, mail or any other delivery service, or the internet or other online service and the device is delivered by use of mail or a delivery service. The sale of a device shall constitute a delivery sale regardless of whether the seller is located in this state. *"Delivery sale"* does not include a sale to a distributor or retailer of a device not for personal use.

5. *"Department"* means the department of revenue.

6. *a.* *"Device"* means any equipment or product, made in whole or in part of glass or metal, that is designed for use in inhaling through combustion tobacco, hemp, other plant materials, or a controlled substance. *"Device"* does not include a vapor product or a tobacco smoking product made of briar, meerschaum, clay, or corn cob and not having a surface, aperture, or other feature consisting of metal or glass.

b. In determining whether any particular item constitutes a *"device"*, the following factors may be considered:

(1) The instructions, oral or written, provided with the item concerning its use.

(2) Any descriptive materials accompanying the item which explain or depict its use.

(3) National and local advertising concerning the item's

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use.

(4) The manner in which the item is displayed for sale.

(5) Whether the owner of the place of business, or anyone in control of the item at the place of business, is a legitimate supplier of like or related items to the community, such as a licensed distributor, manufacturer, or subjobber.

(6) Direct or circumstantial evidence of the ratio of sales of the item to the total sales of the place of business.

(7) The existence and scope of legitimate uses of the item in the community.

(8) Expert testimony concerning the item's use.

c. A particular item may constitute a device notwithstanding any lawful use of the item.

7. *"Device retailer"* means a person engaged in the retail sale of tangible personal property who is also engaged in selling devices to the ultimate consumer.

8. *"Director"* means the director of revenue.

9. *"Distributor"* means the same as defined in section 453A.42.

10. *"Manufacturer"* means the same as defined in section 453A.42.

11. *"Place of business"* means any place where tobacco products and devices are sold, stored, or kept for the purpose of sale or consumption; or for a business within or without the state that conducts delivery sales, any place where tobacco products and devices are sold or are kept for the purpose of sale, including delivery sales.

12. *"Retail outlet"* means each place of business from which tobacco products and devices are sold to consumers.

13. *"Sale"* means any transfer, exchange, or barter, in any manner or by any means whatsoever, for consideration, and includes and means all sales made by any person.

14. *"Subjobber"* means the same as defined in section 453A.42.

15. *"Tobacco products"* means cigars; little cigars;

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cheroots; stogies; periques; granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff; cavendish; plug and twist tobacco; fine-cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco, and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking; but shall not include cigarettes as defined in section 453A.1.

16. *"Tobacco retailer"* means a retailer as defined in section 453A.42.

17. *"Use"* means the exercise of any right or power incidental to the ownership of tobacco products or devices.

18. *"Vapor product"* means the same as defined in section 453A.1.

Sec. 2. NEW SECTION. **453E.2 Administration — rules — intent.**

1. The director shall administer this chapter. The director shall collect, supervise, and enforce the collection of all fees, taxes, and civil penalties imposed under this chapter.

2. The director may adopt rules pursuant to chapter 17A that are necessary to enforce this chapter.

3. The director may designate employees to administer and enforce the provisions of this chapter, including the collection of all taxes provided for in this chapter. In the enforcement, the director may request aid from the attorney general, the special agents of the state, any county attorney, or any peace officer. The director may appoint clerks and additional help as may be needed to administer this chapter.

4. This chapter or the holding of a device retailer permit or a device delivery sale permit under this chapter shall not be construed to provide for any of the following:

a. Immunity from prosecution or the limitation of the application of other state law and regulations governing tobacco products, drug paraphernalia, or controlled substances.

b. Authorization for the possession, marketing, offering

for sale, or selling of a device, the possession, marketing, offering for sale, or selling of which is otherwise prohibited by state or federal law.

Sec. 3. NEW SECTION. **453E.3 Device retailers — permits — fees.**

1. *Permits required.* A person shall not engage in the business of a device retailer at any place of business or through delivery sales, unless the person complies with all of the following:

a. The person has received and holds a permit as a tobacco retailer pursuant to section 453A.47A that has not been suspended or revoked and is not expired; complies with the provisions of chapter 453A applicable to a tobacco retailer; and sells tobacco products in addition to devices at the retail outlet or through delivery sales.

b. The person has received and holds a permit as a device retailer pursuant to this section that has not been suspended or revoked and is not expired, and complies with the provisions of this chapter.

2. *No sales without device retailer permit.* A device retailer shall not sell devices until an application has been filed and the fee prescribed paid for a permit and until such permit is obtained and only while such permit is not suspended, revoked, or expired.

3. *Number of device retailer permits.* An application shall be filed and a permit obtained for each place of business owned or operated by a device retailer located in the state. If an out-of-state device retailer makes delivery sales of devices, an application shall be filed with the department and a permit shall be issued for the out-of-state device retailer's principal place of business.

4. *Issuance.* Cities may issue device retailer permits to device retailers located within their respective limits. County boards of supervisors may issue device retailer permits to device retailers located in their respective counties,

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outside of the corporate limits of cities. The city or county shall submit a duplicate of any application for a device retailer permit to the alcoholic beverages division of the department of commerce within thirty days of issuance of a device retailer permit. The alcoholic beverages division of the department of commerce shall submit the current list of all device retailer permits issued to the department of public health by the last day of each quarter of a state fiscal year.

5. *Fees — expiration.* All device retailer permits provided for in this section shall expire on June 30 of each year. A device retailer permit shall not be granted or issued until the applicant has paid the fees provided for in this section for the period ending June 30 next, to the city or county granting the device retailer permit. The fee for a device retailer permit is one thousand five hundred dollars.

6. *Application.* Device retailer permits shall be issued only upon application, accompanied by the one thousand five hundred dollar fee, 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 all of the following:

a. The manner under which the device retailer transacts or intends to transact business as a device retailer.

b. The principal office, residence, and place of business, to which the device retailer permit is to apply.

c. If the applicant is not an individual, the names of the partners if the applicant is a partnership or the names of the principal officers or members if the applicant is a legal entity, and their addresses.

d. Such other information as the director shall by rule prescribe.

7. *Records and reports of device retailers.*

a. The director shall prescribe the forms necessary for the efficient administration of this section and may require

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uniform books and records to be used and kept by each device retailer or other person as deemed necessary.

b. Every device retailer shall, when requested by the department, make additional reports as the department deems necessary and proper and shall at the request of the department furnish full and complete information pertaining to any transaction of the device retailer involving the purchase or sale of devices, including the number of devices sold.

8. *Requirements for sale.*

a. A device retailer shall not sell, give, or otherwise supply a device to any person under twenty-one years of age and must verify the age of all purchasers of devices. If a device is purchased at a retail outlet, valid proof of the purchaser's identity and age shall be obtained at the time the device is supplied to the purchaser. If a device is purchased through a delivery sale, valid proof of the purchaser's identity and age shall be obtained in accordance with section 453E.4.

b. A device retailer shall only display and sell devices in a location of a retail outlet where the device retailer ensures that the devices are not visible to a person younger than twenty-one years of age and where no person younger than twenty-one years of age is present or permitted to enter at any time.

Sec. 4. NEW SECTION. **453E.4 Delivery sale of devices — permit — requirements.**

1. *a.* A person shall not mail, ship, or otherwise cause to be delivered any device in connection with a delivery sale to any other person within this state unless the person has applied for and holds a device delivery sale permit as provided in this section.

b. A person applying for a device delivery sale permit shall submit an application for the permit electronically, or in a manner prescribed by the director.

c. An application submitted pursuant to paragraph *"b"* shall be accompanied by a permit fee in the amount of one thousand

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1 five hundred dollars.
2 *d.* The director may in accordance with this section issue a
3 device delivery sale permit which shall be valid for one year
4 from the date of issuance unless it is sooner suspended or
5 revoked for a violation of this section.
6 *e.* A permit issued pursuant to this section may be renewed
7 annually by submitting a renewal application in a manner
8 prescribed by the director, accompanied by the one thousand
9 five hundred dollar permit fee.
10 2. The delivery sale of devices pursuant to this
11 section shall be subject to the following requirements and
12 restrictions:
13 *a.* All devices delivered by delivery sale directly to a
14 resident of this state shall be sold only by a device delivery
15 sale permit holder.
16 *b.* A device delivery sale permit holder shall only deliver
17 devices by delivery sale to a resident of this state who is at
18 least twenty-one years of age for the resident's personal use
19 and not for resale.
20 *c.* All devices delivered by delivery sale directly to a
21 resident of this state shall be conspicuously labeled with the
22 words "CONTAINS DEVICE: SIGNATURE OF PERSON AGE 21 OR OLDER
23 REQUIRED FOR DELIVERY" or shall be conspicuously labeled with
24 alternative wording preapproved by the director.
25 *d.* A device delivery sale permit holder shall obtain
26 valid proof of identity and age prior to delivery, and shall
27 obtain the signature of a person age twenty-one or older as a
28 condition of delivery.
29 *e.* A device delivery sale permit holder shall maintain
30 records of devices delivered which include the name of the
31 device manufacturer, quantity of devices delivered, recipient's
32 name and address and verification of age on an electronic or
33 paper form of signature from the recipient of the device, and
34 sales and excise taxes paid. Records shall be submitted to
35 the director on a monthly basis in a form and manner to be

1 determined by the director. Records shall be maintained for at
2 least five years.
3 3. A device delivery sale permit holder shall remit to the
4 director an amount equivalent to the applicable sales tax and
5 excise tax on devices subject to delivery sale at the rates
6 specified in section 423.2 and section 453E.5, as applicable.
7 The amount shall be remitted at the time and in the manner
8 provided in section 453E.5.
9 4. A device delivery sale permit holder shall be deemed to
10 have consented to the jurisdiction of the director or any other
11 agency or court in this state concerning enforcement of this
12 section and any related laws, rules, or regulations. A device
13 delivery sale permit holder shall allow the director to perform
14 an audit of records of devices upon request.
15 Sec. 5. NEW SECTION. **453E.5 Sales and use tax on sales and**
16 **delivery sales of devices —— examination of records and premises**
17 **—— subpoena for witnesses and papers.**
18 1. A sale or delivery sale of a device within this state
19 shall be subject to the sales tax provided in chapter 423,
20 subchapter II. All the provisions for the lien of the tax, its
21 collection, and all actions as provided in the uniform sales
22 and use tax administration Act, chapter 423, shall apply to the
23 tax imposed in this chapter.
24 2. There is levied and imposed an excise tax on a device
25 purchased in this state through a sale or purchased for use
26 in this state through a delivery sale of forty percent of the
27 purchase price of the device.
28 3. A device delivery sale permit holder shall be deemed to
29 have waived all claims that such permit holder lacks physical
30 presence within this state for purposes of collecting and
31 remitting the sales and excise taxes.
32 4. A device delivery sale permit holder making taxable
33 delivery sales of devices within this state and a device
34 retailer shall remit to the department all sales and excise
35 taxes due on such sales at the times and in the manner as

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1 established by rule of the director.
2 5. The director may adopt rules pursuant to chapter 17A to
3 administer this section.
4 6. Excise taxes collected under this section shall be
5 deposited in the specialty courts program fund created in
6 section 453E.6.
7 7. *a.* For the purpose of enabling the department to
8 determine the tax liability of device delivery sale permit
9 holders, device retailers, or any other person dealing in
10 devices or to determine whether a tax liability has been
11 incurred, the department shall have the right to inspect any
12 premises of the device delivery sale permit holder, device
13 retailer, or other person dealing in devices located within
14 or without the state of Iowa where devices are manufactured,
15 produced, made, stored, transported, sold, or offered for
16 sale or exchange, and to examine all of the records required
17 to be kept or any other records that may be kept incident
18 to the conduct of the business of said device delivery sale
19 permit holder, device retailer, or any other person dealing in
20 devices.
21 *b.* The department shall also have the right as an incident
22 to determining the tax liability, or whether a tax liability
23 has been incurred, to examine all stocks of devices and to
24 remain upon the premises for such length of time as may be
25 necessary to fully determine the tax liability, or whether a
26 tax liability has been incurred.
27 *c.* It shall be unlawful for a permit holder to fail to
28 produce upon demand of the department any records required to
29 be kept or to hinder or prevent in any manner the inspection of
30 the records or the examination of the premises.
31 *d.* In the case of any departmental inspection conducted
32 under this section requiring department personnel to travel
33 outside the state of Iowa, any additional costs incurred by
34 the department for out-of-state travel expenses shall be borne
35 by the device delivery sale permit holder, device retailer, or

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other person dealing in devices. These additional costs shall be those costs in excess of the costs of a similar inspection conducted at the geographical point located within the state of Iowa nearest to the out-of-state inspection point. In lieu of conducting an on-premises out-of-state inspection, the department shall have the authority to direct the device delivery sale permit holder, device retailer, or other person dealing in devices to assemble and transport all records described in this subsection to the nearest practical and convenient geographical location in Iowa for inspection by the department.

Sec. 6. NEW SECTION. **453E.6 Specialty courts program fund.**

1. A specialty courts program fund is created in the state treasury under the control of the drug policy coordinator of the governor's office of drug control policy. Moneys from permit fees, with the exception of permit fees collected by cities or counties in the issuance of permits, and excise taxes imposed and collected pursuant to section 453E.5, shall be deposited in the fund. Permit fees collected by cities or counties under this chapter shall be paid to the treasurer of the city where the permit is effective, or to another city officer as designated by the city council, and credited to the general fund of the city. Permit fees collected by counties under this chapter shall be paid to the county treasurer and credited to the general fund of the county.

2. Moneys in the fund shall be used only as provided in appropriations from the fund for the purpose of the support of specialty courts to address underlying substance use disorder-related and mental health-related issues that contribute to the contact of individuals with the justice system.

3. The fund shall be separate from the general fund of the state and shall not be considered part of the general fund of the state. The moneys in the fund shall not be considered revenue of the state, but rather shall be moneys of the fund.

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The moneys in the fund are not subject to reversion to the general fund of the state under section 8.33 and shall not be transferred, used, obligated, appropriated, or otherwise encumbered, except to provide for the purposes of this section. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

4. The treasurer of state shall provide a quarterly report of fund activities and balances to the drug policy coordinator of the governor's office of drug control policy.

Sec. 7. NEW SECTION. **453E.7 Permits — suspension — revocation — penalties.**

1. The provisions of chapter 453A including the permit suspension and revocation provisions and the civil penalties established in section 453A.22 shall apply to tobacco retailers who are also device retailer permit holders or device delivery sale permit holders under this chapter. The provisions of chapter 453A applicable to persons other than tobacco retailers who violate chapter 453A shall also apply to persons who violate this chapter.

2. A person holding a device retailer permit or a device delivery sale permit under this chapter who violates this chapter by marketing or selling a device to be used or attempted to be used or that is capable of use in combination with tobacco, hemp, other plant materials, or a controlled substance, to knowingly or intentionally and primarily inhale the material or substance through combustion commits a serious misdemeanor and is also subject to permit revocation.

3. *a.* If a person holding a device retailer permit or a device delivery sale permit under this chapter has willfully violated this chapter, the department shall revoke the permit upon notice and hearing. The hearing before the department may be held at a site in the state as the department may direct. The notice shall be given by mailing a copy to the permit holder's place of business as it appears on the application

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for a permit. If, upon hearing, the department finds that the violation has occurred, the department may revoke the permit.

b. If a device retailer permit or a device delivery sale permit is suspended or revoked under this section, the suspension or revocation shall only apply to the place of business at which the violation occurred and shall not apply to any other place of business to which the permit applies but at which the violation did not occur.

c. The department or local authority shall report the suspension or revocation of a device retailer permit or a device delivery sale permit under this section to the alcoholic beverages division of the department of commerce within thirty days of the suspension or revocation of the permit.

4. In addition to any other applicable penalties, a device retailer permit holder or a device delivery sale permit holder who violates this chapter shall be subject to the following:

a. For a first violation, a civil penalty of five hundred dollars.

b. For a second violation, a civil penalty of one thousand dollars.

c. A third violation constitutes grounds for suspension or revocation of the permit under this chapter.

5. A person other than a device retailer permit holder or a device delivery sale permit holder who violates this chapter, including a person who engages in the business of a device retailer at any place of business or through delivery sales without holding an applicable, valid permit under this chapter, commits a serious misdemeanor and shall also be subject to the following civil penalties:

a. For a first violation, a civil penalty of one thousand dollars.

b. For a second violation, a civil penalty of two thousand dollars.

c. For a third or subsequent violation, a civil penalty of five thousand dollars.

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EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the regulation of certain tobacco products.

The bill requires a person who engages in the business of a device retailer through a retail outlet or delivery sales to receive and hold a permit as a tobacco retailer, comply with provisions applicable to a tobacco retailer, sell tobacco products in addition to devices at the retail outlet or through delivery sales, and hold a permit as a device retailer. The bill provides for the application for and issuance of device retailer permits by cities and counties depending upon the location of the retailer; requires the payment of a fee for each permit; and provides for annual expiration of the permits. The bill also requires device retailer permit holders to keep certain records and submit reports to the department of revenue; establishes requirements for the sale of devices including that a device retailer shall not sell, give, or otherwise supply a device to any person under 21 years of age and must verify the age of all purchasers of devices; and provides that a device retailer shall only display and sell devices in a location where the device retailer ensures that the devices are not visible to a person younger than 21 years of age and where no person younger than 21 years of age is present or permitted to enter at any time.

The bill establishes requirements for the delivery sale of devices including permit requirements and restrictions including all devices delivered by delivery sale directly to a resident of this state shall be delivered by a holder of a device delivery sale permit; that a device delivery sale permit holder shall only deliver devices by delivery sale to a resident of this state who is at least 21 years of age, for the resident's personal use and consumption and not for resale; all devices delivered by delivery sale directly to a resident

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of this state shall be conspicuously labeled with the words "CONTAINS DEVICE: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY" or with an alternative wording preapproved by the director of revenue; a device delivery sale permit holder shall obtain valid proof of identity and age prior to delivery, and shall obtain the signature of a person age 21 or older as a condition of delivery; and that a device delivery sale permit holder shall maintain records of devices delivered which include certain information that must be maintained for five years.

The bill provides for the imposition, collection, and payment of sales and excise taxes on the retail sale, including delivery sales, of devices. Moneys from permit fees, with the exception of city and county permit fees, and excise taxes imposed and collected under the bill, are to be deposited in the specialty courts program fund created in the bill to be used for the purpose of the support of specialty courts to address underlying substance use disorder-related and mental health-related issues that contribute to the contact of individuals with the justice system.

The bill provides penalties for violations of the bill. The applicable provisions of Code chapter 453A (cigarette and tobacco taxes and regulation of alternative nicotine products and vapor products) including penalties and license suspension and revocation provisions and penalties applicable to those other than permit holders apply to tobacco retailers who are also device retailer permit holders or device delivery sale permit holders as well as to those who are not permit holders.

Additionally, a person holding a device retailer permit or a device delivery sale permit who violates the bill by marketing or selling a device to be used or attempted to be used or that is capable of use in combination with tobacco, hemp, other plant materials, or a controlled substance, to knowingly or intentionally and primarily inhale the material or controlled substance through combustion, commits a serious misdemeanor and

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is also subject to permit revocation. A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $430 but not more than $2,560.

If a person holding a device retailer permit or a device delivery sale permit willfully violates the bill, the department shall revoke the permit upon notice and hearing.

In addition to any other applicable penalties, a device retailer permit holder or a device delivery sale permit holder who violates the Code chapter is subject to a civil penalty of $500 for a first violation, a civil penalty of $1,000 for a second violation, and a third violation constitutes grounds for suspension or revocation of the permit. A person other than a device retailer permit holder or a device delivery sale permit holder, including a person who engages in the business of a device retailer at a place of business or through delivery sales without holding an applicable, valid permit under the bill, who violates the Code chapter commits a serious misdemeanor and is also subject to a civil penalty of $1,000 for a first violation, a civil penalty of $2,000 for a second violation, and a civil penalty of $5,000 for a third or subsequent violation.

Senate File 364 - Introduced

SENATE FILE 364
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1175)

A BILL FOR

1 An Act allowing certain deductions relating to the paycheck
2 protection program loan forgiveness, and including effective
3 date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2503SV (2) 89
jm/jh

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Section 1. FEDERAL PAYCHECK PROTECTION PROGRAM. Notwithstanding any other provision of the law to the contrary, for any tax year ending after March 27, 2020, Division N, Tit. II, subtit. B, §276 and §278(a), of the federal Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, applies in computing net income for state tax purposes under section 422.7 or 422.35.

Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill allows certain deductions relating to the paycheck protection program loan forgiveness.

Under current law, for the tax year 2020 and later, Iowa law fully conforms with the federal treatment of forgiven paycheck protection program loans and excludes such amounts from net income and allows certain deductions for business expenses paid using those loans. For fiscal-year filers who received paycheck protection program loans during the 2019 tax year, current law excludes such amounts from net income, but does not allow certain deductions for business expenses paid using those loans. The bill fully conforms with federal law for those fiscal-year filers who previously were excluded from such conformity and allows such filers to take business expense deductions using federal paycheck protection program loan proceeds that were forgiven.

The bill takes effect upon enactment.

Senate File 365 - Introduced

SENATE FILE 365
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1085)

A BILL FOR

1 An Act relating to property tax classifications, assessment
2 limitations, and administration, and including effective
3 date and applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1406SV (1) 89
md/jh

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Section 1. Section 404.2, subsection 2, paragraph f, Code 2021, is amended to read as follows:

f. A statement specifying whether the revitalization is applicable to none, some, or all of the property assessed as residential, ~~multiresidential,~~ agricultural, commercial, or industrial property within the designated area or a combination thereof and whether the revitalization is for rehabilitation and additions to existing buildings or new construction or both. If revitalization is made applicable only to some property within an assessment classification, the definition of that subset of eligible property must be by uniform criteria which further some planning objective identified in the plan. The city shall state how long it is estimated that the area shall remain a designated revitalization area which time shall be longer than one year from the date of designation and shall state any plan by the city to issue revenue bonds for revitalization projects within the area. For a county, a revitalization area shall include only property which will be used as industrial property, commercial property, ~~multiresidential property,~~ or residential property. However, a county shall not provide a tax exemption under this chapter to commercial property~~, multiresidential property,~~ or residential property which is located within the limits of a city.

Sec. 2. Section 404.3, subsection 4, paragraph a, Code 2021, is amended by striking the paragraph and inserting in lieu thereof the following:

a. All qualified real estate assessed as residential property is eligible to receive a one hundred percent exemption from taxation on the actual value added by the improvements.

Sec. 3. Section 441.21, subsection 2, Code 2021, is amended to read as follows:

2. In the event market value of the property being assessed cannot be readily established in the foregoing manner, then the assessor may determine the value of the property using the other uniform and recognized appraisal methods including its

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1 productive and earning capacity, if any, industrial conditions,
2 its cost, physical and functional depreciation and obsolescence
3 and replacement cost, and all other factors which would assist
4 in determining the fair and reasonable market value of the
5 property but the actual value shall not be determined by use
6 of only one such factor. The following shall not be taken into
7 consideration: Special value or use value of the property to
8 its present owner, and the goodwill or value of a business
9 which uses the property as distinguished from the value of
10 the property as property. In addition, for assessment years
11 beginning on or after January 1, 2018, and unless otherwise
12 required for property valued by the department of revenue
13 pursuant to chapters 428, 433, 437, and 438, the assessor
14 shall not take into consideration and shall not request from
15 any person sales or receipts data, expense data, balance
16 sheets, bank account information, or other data related to
17 the financial condition of a business operating in whole or
18 in part on the property if the property is both classified as
19 commercial or industrial property and owned and used by the
20 owner of the business. However, in assessing property that
21 is rented or leased to low-income individuals and families
22 as authorized by section 42 of the Internal Revenue Code,
23 as amended, and which section limits the amount that the
24 individual or family pays for the rental or lease of units
25 in the property, the assessor shall, unless the owner elects
26 to withdraw the property from the assessment procedures for
27 section 42 property, use the productive and earning capacity
28 from the actual rents received as a method of appraisal and
29 shall take into account the extent to which that use and
30 limitation reduces the market value of the property. The
31 assessor shall not consider any tax credit equity or other
32 subsidized financing as income provided to the property in
33 determining the assessed value. The property owner shall
34 notify the assessor when property is withdrawn from section 42
35 eligibility under the Internal Revenue Code or if the owner

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elects to withdraw the property from the assessment procedures for section 42 property under this subsection. The property shall not be subject to section 42 assessment procedures for the assessment year for which section 42 eligibility is withdrawn or an election is made. This notification must be provided to the assessor no later than March 1 of the assessment year or the owner will be subject to a penalty of five hundred dollars for that assessment year. The penalty shall be collected at the same time and in the same manner as regular property taxes. An election to withdraw from the assessment procedures for section 42 property is irrevocable. Property that is withdrawn from the assessment procedures for section 42 property shall be classified and assessed as ~~multiresidential~~ residential property unless the property otherwise fails to meet the requirements of subsection ~~13~~ 14. Upon adoption of uniform rules by the department of revenue or succeeding authority covering assessments and valuations of such properties, the valuation on such properties shall be determined in accordance with such rules and in accordance with forms and guidelines contained in the real property appraisal manual prepared by the department as updated from time to time for assessment purposes to assure uniformity, but such rules, forms, and guidelines shall not be inconsistent with or change the foregoing means of determining the actual, market, taxable and assessed values.

Sec. 4. Section 441.21, subsection 8, paragraph b, Code 2021, is amended to read as follows:

b. Notwithstanding paragraph *"a"*, any construction or installation of a solar energy system on property classified as agricultural, residential, commercial, ~~multiresidential,~~ or industrial property shall not increase the actual, assessed, and taxable values of the property for five full assessment years.

Sec. 5. Section 441.21, subsections 9 and 10, Code 2021, are amended to read as follows:

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9. Not later than November 1, 1979, and November 1 of each subsequent year, the director shall certify to the county auditor of each county the percentages of actual value at which residential property, agricultural property, commercial property, industrial property, ~~multiresidential property,~~ property valued by the department of revenue pursuant to chapter 434, and property valued by the department of revenue pursuant to chapters 428, 433, 437, and 438 in each assessing jurisdiction in the county shall be assessed for taxation. The county auditor shall proceed to determine the assessed values of agricultural property, residential property, commercial property, industrial property, ~~multiresidential property,~~ property valued by the department of revenue pursuant to chapter 434, and property valued by the department of revenue pursuant to chapters 428, 433, 437, and 438 by applying such percentages to the current actual value of such property, as reported to the county auditor by the assessor, and the assessed values so determined shall be the taxable values of such properties upon which the levy shall be made.

10. The percentage of actual value computed by the department of revenue for agricultural property, residential property, commercial property, industrial property, ~~multiresidential property,~~ property valued by the department of revenue pursuant to chapter 434, and property valued by the department of revenue pursuant to chapters 428, 433, 437, and 438 and used to determine assessed values of those classes of property does not constitute a rule as defined in section 17A.2, subsection 11.

Sec. 6. Section 441.21, subsection 13, paragraphs a, b, and c, Code 2021, are amended to read as follows:

a. ~~(1) For the assessment year beginning January 1, 2015, mobile home parks, manufactured home communities, land-leased communities, assisted living facilities, property primarily used or intended for human habitation containing three or more separate dwelling units, and that portion of a building that is~~

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~~used or intended for human habitation and a proportionate share of the land upon which the building is situated, regardless of the number of dwelling units located in the building, if the use for human habitation is not the primary use of the building and such building is not otherwise classified as residential property, shall be valued as a separate class of property known as multiresidential property and, excluding properties referred to in section 427A.1, subsection 9, shall be assessed at a percentage of its actual value, as determined in this subsection.~~

~~(2)~~ Beginning with valuations established on or after January 1, 2016, but before January 1, 2022, all of the following shall be valued as a separate class of property known as multiresidential property and, excluding properties referred to in section 427A.1, subsection 9, shall be assessed at a percentage of its actual value, as determined in this subsection:

~~(a)~~ (1) Mobile home parks.

~~(b)~~ (2) Manufactured home communities.

~~(c)~~ (3) Land-leased communities.

~~(d)~~ (4) Assisted living facilities.

~~(e)~~ (5) A parcel primarily used or intended for human habitation containing three or more separate dwelling units. If a portion of such a parcel is used or intended for a purpose that, if the primary use, would be classified as commercial property or industrial property, each such portion, including a proportionate share of the land included in the parcel, if applicable, shall be assigned the appropriate classification pursuant to paragraph *"c"*.

~~(f)~~ (6) For a parcel that is primarily used or intended for use as commercial property or industrial property, that portion of the parcel that is used or intended for human habitation, regardless of the number of dwelling units contained on the parcel, including a proportionate share of the land included in the parcel, if applicable. The portion of such a parcel

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used or intended for use as commercial property or industrial property, including a proportionate share of the land included in the parcel, if applicable, shall be assigned the appropriate classification pursuant to paragraph *"c"*.

b. For valuations established for the assessment year beginning January 1, 2015, the percentage of actual value as equalized by the department of revenue as provided in section 441.49 at which multiresidential property shall be assessed shall be the greater of eighty-six and twenty-five hundredths percent or the percentage of actual value determined by the department of revenue at which property assessed as residential property is assessed for the same assessment year under subsection 4. For valuations established for the assessment year beginning January 1, 2016, the percentage of actual value as equalized by the department of revenue as provided in section 441.49 at which multiresidential property shall be assessed shall be the greater of eighty-two and five-tenths percent or the percentage of actual value determined by the department of revenue at which property assessed as residential property is assessed for the same assessment year under subsection 4. For valuations established for the assessment year beginning January 1, 2017, the percentage of actual value as equalized by the department of revenue as provided in section 441.49 at which multiresidential property shall be assessed shall be the greater of seventy-eight and seventy-five hundredths percent or the percentage of actual value determined by the department of revenue at which property assessed as residential property is assessed for the same assessment year under subsection 4. For valuations established for the assessment year beginning January 1, 2018, the percentage of actual value as equalized by the department of revenue as provided in section 441.49 at which multiresidential property shall be assessed shall be the greater of seventy-five percent or the percentage of actual value determined by the department of revenue at which property assessed as residential property

is assessed for the same assessment year under subsection 4. For valuations established for the assessment year beginning January 1, 2019, the percentage of actual value as equalized by the department of revenue as provided in section 441.49 at which multiresidential property shall be assessed shall be the greater of seventy-one and twenty-five hundredths percent or the percentage of actual value determined by the department of revenue at which property assessed as residential property is assessed for the same assessment year under subsection 4. For valuations established for the assessment year beginning January 1, 2020, the percentage of actual value as equalized by the department of revenue as provided in section 441.49 at which multiresidential property shall be assessed shall be the greater of sixty-seven and five-tenths percent or the percentage of actual value determined by the department of revenue at which property assessed as residential property is assessed for the same assessment year under subsection 4. For valuations established for the assessment year beginning January 1, 2021, the percentage of actual value as equalized by the department of revenue as provided in section 441.49 at which multiresidential property shall be assessed shall be the greater of sixty-three and seventy-five hundredths percent or the percentage of actual value determined by the department of revenue at which property assessed as residential property is assessed for the same assessment year under subsection 4. ~~For valuations established for the assessment year beginning January 1, 2022, and each assessment year thereafter, the percentage of actual value as equalized by the department of revenue as provided in section 441.49 at which multiresidential property shall be assessed shall be equal to the percentage of actual value determined by the department of revenue at which property assessed as residential property is assessed under subsection 4 for the same assessment year.~~

c. ~~(1) For the assessment year beginning January 1, 2015, for parcels that, in part, satisfy the requirements for~~

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~~classification as multiresidential property, the assessor shall assign to that portion of the parcel the classification of multiresidential property and to such other portions of the parcel the property classification for which such other portions qualify.~~

~~(2)~~ Beginning with valuations established on or after January 1, 2016, but before January 1, 2022, for parcels for which a portion of the parcel satisfies the requirements for classification as multiresidential property pursuant to paragraph *"a"*, subparagraph ~~(2), subparagraph division (e) or (f)~~ (5) or (6), the assessor shall assign to that portion of the parcel the classification of multiresidential property and to such other portions of the parcel the property classification for which such other portions qualify.

Sec. 7. Section 441.21, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 14. *a.* Beginning with valuations established on or after January 1, 2022, all of the following shall be classified and valued as residential property:

(1) Property primarily used or intended for human habitation containing two or fewer dwelling units.

(2) Mobile home parks.

(3) Manufactured home communities.

(4) Land-leased communities.

(5) Assisted living facilities.

(6) A parcel primarily used or intended for human habitation containing three or more separate dwelling units. If a portion of such a parcel is used or intended for a purpose that, if the primary use, would be classified as commercial property or industrial property, each such portion, including a proportionate share of the land included in the parcel, if applicable, shall be assigned the appropriate classification pursuant to paragraph *"b"*.

(7) For a parcel that is primarily used or intended for use as commercial property or industrial property, that portion

of the parcel that is used or intended for human habitation, regardless of the number of dwelling units contained on the parcel, including a proportionate share of the land included in the parcel, if applicable. The portion of such a parcel used or intended for use as commercial property or industrial property, including a proportionate share of the land included in the parcel, if applicable, shall be assigned the appropriate classification pursuant to paragraph *"b"*.

b. Beginning with valuations established on or after January 1, 2022, for parcels for which a portion of the parcel satisfies the requirements for classification as residential property pursuant to paragraph *"a"*, subparagraph (6) or (7), the assessor shall assign to that portion of the parcel the classification of residential property and to such other portions of the parcel the property classification for which such other portions qualify.

c. Property that is rented or leased to low-income individuals and families as authorized by section 42 of the Internal Revenue Code, and that has not been withdrawn from section 42 assessment procedures under subsection 2 of this section, or a hotel, motel, inn, or other building where rooms or dwelling units are usually rented for less than one month shall not be classified as residential property under this subsection.

d. As used in this subsection:

(1) *"Assisted living facility"* means property for providing assisted living as defined in section 231C.2. *"Assisted living facility"* also includes a health care facility, as defined in section 135C.1, an elder group home, as defined in section 231B.1, a child foster care facility under chapter 237, or property used for a hospice program as defined in section 135J.1.

(2) *"Dwelling unit"* means an apartment, group of rooms, or single room which is occupied as separate living quarters or, if vacant, is intended for occupancy as separate living

quarters, in which a tenant can live and sleep separately from any other persons in the building.

(3) *"Land-leased community"* means the same as defined in sections 335.30A and 414.28A.

(4) *"Manufactured home community"* means the same as a land-leased community.

(5) *"Mobile home park"* means the same as defined in section 435.1.

Sec. 8. Section 558.46, subsection 5, Code 2021, is amended by striking the subsection.

Sec. 9. SAVINGS PROVISION. This Act, pursuant to section 4.13, does not affect the operation of, or prohibit the application of, prior provisions of the Code sections amended by this Act, or rules adopted under chapter 17A to administer such prior provisions, for assessment years beginning before January 1, 2022, and for duties, powers, protests, appeals, proceedings, actions, or remedies attributable to an assessment year beginning before January 1, 2022.

Sec. 10. EFFECTIVE DATE. This Act takes effect January 1, 2022.

Sec. 11. APPLICABILITY. This Act applies to assessment years beginning on or after January 1, 2022.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to property tax classifications, assessment limitations, and administration.

Code section 441.21 provides that for assessment years beginning on or after January 1, 2015, property can be classified as multiresidential property. Multiresidential property largely includes property that prior to the assessment year beginning January 1, 2015, was classified as commercial property and includes mobile home parks, manufactured home communities, land-leased communities, assisted living facilities, and property primarily used or intended for human

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1 habitation containing three or more separate dwelling units.
2 The percentage of actual value at which multiresidential
3 property is subject to tax has been reduced each assessment
4 year beginning with the 2015 assessment year. The percentage
5 of actual value is reduced by law until the percentage is equal
6 to or below the percentage that is applicable to residential
7 property, at which time the two classifications are subject to
8 the same percentage, but not later than the assessment year
9 beginning January 1, 2022.
10 The bill eliminates the classification of multiresidential
11 property for assessment years beginning on or after January
12 1, 2022. The bill also provides that the types of property
13 previously classified as multiresidential will, for assessment
14 years beginning on or after January 1, 2022, be classified as
15 residential property.
16 The bill makes corresponding changes to various other
17 provisions of law to reflect the elimination of the
18 multiresidential property classification.
19 The bill takes effect January 1, 2022, and applies to
20 assessment years beginning on or after that date.
21 The bill does not affect the operation of, or prohibit
22 the application of, prior provisions of the Code sections
23 amended by the bill, or rules adopted to administer such prior
24 provisions, for assessment years beginning before January 1,
25 2022, and for duties, powers, protests, appeals, proceedings,
26 actions, or remedies attributable to an assessment year
27 beginning before January 1, 2022.

Senate File 366 - Introduced

SENATE FILE 366
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1122)

A BILL FOR

1 An Act relating to state taxation and related laws of the state
2 including the collection of tax, tax credits, the assessment
3 and classification of property, taxes on electricity
4 providers, fees for registration of vehicles, sales and
5 use tax, and the authority of the director of revenue,
6 and providing penalties, and including effective date and
7 retroactive applicability provisions.
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1405SV (4) 89
jm/jh

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DIVISION I

TAX CREDITS FOR CERTAIN SALES TAXES PAID BY THIRD-PARTY DEVELOPERS

Section 1. Section 15.331C, Code 2021, is amended to read as follows:

15.331C ~~**Corporate tax credit for certain sales taxes paid by third-party developer**~~ **Third-party developer tax credit.**

1. An eligible business may claim a ~~corporate~~ tax credit in an amount equal to the sales and use taxes paid by a third-party developer under chapter 423 for gas, electricity, water, or sewer utility services, goods, wares, or merchandise, or on services rendered, furnished, or performed to or for a contractor or subcontractor and used in the fulfillment of a written contract relating to the construction or equipping of a facility of the eligible business. Taxes attributable to intangible property and furniture and furnishings shall not be included, but taxes attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center shall be included. 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. An eligible business may elect to receive a refund of all or a portion of an unused tax credit.

2. A third-party developer shall state under oath, on forms provided by the department of revenue, the amount of taxes paid as described in subsection 1 and shall submit such forms to the department of revenue. The taxes paid shall be itemized to allow identification of the taxes attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center. After receiving the form from the third-party developer, the department of revenue shall issue a tax credit certificate to the eligible business equal to the sales and use taxes paid by a third-party developer under chapter 423 for gas, electricity, water, or sewer utility services, goods, wares, or merchandise, or on services

rendered, furnished, or performed to or for a contractor or subcontractor and used in the fulfillment of a written contract relating to the construction or equipping of a facility. The department of revenue shall also issue a tax credit certificate to the eligible business equal to the taxes paid and attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center. The aggregate combined total amount of tax refunds under section 15.331A for taxes attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center and of tax credit certificates issued by the department of revenue for the taxes paid and attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center shall not exceed five hundred thousand dollars in a fiscal year. If an applicant for a tax credit certificate does not receive a certificate for the taxes paid and attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center, the application shall be considered in succeeding fiscal years. The eligible business shall not claim a tax credit under this section unless a tax credit certificate issued by the department of revenue is included with the taxpayer's tax return for the tax year for which the tax credit is claimed. A tax credit certificate shall contain the eligible business's name, address, tax identification number, the amount of the tax credit, and other information deemed necessary by the department of revenue.

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

Sec. 2. Section 15.335A, subsection 2, paragraph d, Code 2021, is amended to read as follows:

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d. "Sales tax refund" means the sales and use tax refund as provided under section 15.331A or the ~~corporate tax credit for certain sales taxes paid by~~ third-party ~~developers~~ developer tax credit as provided under section 15.331C.

Sec. 3. NEW SECTION. **422.11T Third-party developer tax credit.**

The taxes imposed under this subchapter, less the credits allowed under section 422.12, shall be reduced by the third-party developer tax credit authorized pursuant to section 15.331C for certain sales taxes paid by a third-party developer.

Sec. 4. Section 422.33, subsection 19, Code 2021, is amended to read as follows:

19. The taxes imposed under this subchapter shall be reduced by a ~~corporate~~ third-party developer tax credit authorized pursuant to section 15.331C for certain sales taxes paid by a third-party developer.

Sec. 5. Section 422.60, subsection 8, Code 2021, is amended to read as follows:

8. The taxes imposed under this subchapter shall be reduced by a ~~corporate~~ third-party developer tax credit authorized pursuant to section 15.331C for certain sales taxes paid by a third-party developer.

Sec. 6. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 7. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to January 1, 2020, for tax years beginning on or after that date.

DIVISION II

GEOTHERMAL HEAT PUMP INSTALLATION TAX CREDIT

Sec. 8. Section 422.12N, subsection 3, Code 2021, is amended to read as follows:

3. *a.* A taxpayer must submit an application with the department for each geothermal heat pump installation. The application must be approved by the department prior to

1 claiming the credit, and the application must be filed by May 1
2 following the year of installation of the geothermal heat pump.
3 *b.* The department shall accept and approve applications
4 on a first-come, first-served basis until the maximum amount
5 of tax credits that may be claimed pursuant to subsection 4
6 is reached. If for a tax year the aggregate amount of tax
7 credits applied for exceeds the amount specified in subsection
8 4, the department shall establish a wait list for tax credits.
9 Valid applications filed by the taxpayer by May 1 following the
10 year of the installation but not approved by the department
11 shall be placed on a wait list in the order the applications
12 were received and those applicants shall be given priority
13 for having their applications approved in succeeding years.
14 Placement on a wait list pursuant to this subsection shall not
15 constitute a promise binding the state. The availability of a
16 tax credit and approval of a tax credit application pursuant
17 to this section in a future year is contingent upon the
18 availability of tax credits in that particular year.
19 Sec. 9. LEGISLATIVE INTENT. It is the intent of the general
20 assembly that the section of this division amending section
21 422.12N is a conforming amendment consistent with current state
22 law, and the amendment does not change the application of the
23 current law but instead reflects current law both before and
24 after enactment of this division of this Act.
25 Sec. 10. EFFECTIVE DATE. This division of this Act, being
26 deemed of immediate importance, takes effect upon enactment.
27 Sec. 11. RETROACTIVE APPLICABILITY. This division of this
28 Act applies retroactively to January 1, 2019, for tax years
29 beginning on or after that date.
30 DIVISION III
31 TAXES ON ELECTRICITY PROVIDERS
32 Sec. 12. Section 437A.3, subsection 18, paragraph a,
33 subparagraph (2), Code 2021, is amended to read as follows:
34 (2) (a) An electric power generating plant, except a solar
35 energy conversion facility, where the acquisition cost of all

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interests acquired exceeds ten million dollars.

(b) A solar energy conversion facility where the acquisition cost of all interests exceeds one million dollars.

(c) For purposes of this subparagraph~~, *"electric power generating plant"*~~:

(i) *"Electric power generating plant"* means each nameplate rated electric power generating plant owned solely or jointly by any person or electric power facility financed under the provisions of chapter 28F or 476A in which electrical energy is produced from other forms of energy, including all equipment used in the production of such energy through its step-up transformer.

(ii) *"Solar energy conversion facility"* means the same as defined in section 476C.1.

DIVISION IV

FEE FOR NEW REGISTRATION —— VEHICLES

Sec. 13. Section 321.105A, subsection 2, paragraph a, Code 2021, is amended to read as follows:

a. For purposes of this subsection, *"purchase price"* applies to the measure subject to the fee for new registration. *"Purchase price"* shall be determined in the same manner as *"sales price"* is determined for purposes of computing the tax imposed upon the sales price of tangible personal property under chapter 423, pursuant to the definition of sales price in section 423.1~~, subject to the following exemptions~~. The following are exempt from the fee for new registration imposed by this subsection:

(1) ~~Exempted from the purchase price of any vehicle subject to registration is the~~ The amount of any cash rebate which is provided by a motor vehicle manufacturer to the purchaser of the vehicle subject to registration so long as the rebate is applied to the purchase price of the vehicle.

(2) (a) In transactions, except those subject to subparagraph division (b), in which a vehicle subject to registration is traded toward the purchase price of another

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vehicle subject to registration, the ~~purchase price is only that~~ portion of the purchase price which is not valued in money, whether received in money or not, if the following conditions are met:

(i) The vehicle traded to the retailer is the type of vehicle normally sold in the regular course of the retailer's business.

(ii) The vehicle traded to the retailer is intended by the retailer to be ultimately sold at retail or is intended to be used by the retailer or another in the remanufacturing of a like vehicle.

(b) In a transaction between persons, neither of which is a retailer of vehicles subject to registration, in which a vehicle subject to registration is traded toward the purchase price of another vehicle subject to registration, the amount of the trade-in value allowed on the vehicle subject to registration traded ~~is exempted from the purchase price~~.

(c) ~~In order for the trade-in value to be excluded from the purchase price, the name or names~~ The person listed on the title and registration of the newly acquired vehicle ~~being purchased~~ must be the same ~~name or names~~ person listed on the title and registration of the traded vehicle being traded in order to exclude the trade-in value from the purchase price. ~~The~~ Additionally, the following trades qualify under this subparagraph division (c):

(i) A trade ~~involving~~ between spouses, if the traded vehicle and the acquired vehicle are titled in the name of one or both of the spouses, with no outside party named on the title.

(ii) A trade ~~involving a grandparent, parent, or child~~ between lineal family members, including adopted and step relationships, if ~~the name of~~ one of the family members from the title of the traded vehicle is also on the title of the newly acquired vehicle.

(iii) A trade involving ~~a business~~ an entity, if one of the owners listed on the title of the traded vehicle is ~~a business,~~

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1 ~~and~~ an entity. If multiple names are on the names on the title
2 ~~are~~ must be separated by "or". For purposes of trades under
3 this subparagraph subdivision, a sole proprietorship shall not
4 be distinguished from an individual owner.
5 (iv) A trade in which the vehicle being purchased is titled
6 in the name of an individual other than the owner of the traded
7 vehicle due to the cosigning requirements of a financial
8 institution.
9 (3) ~~Exempted from the purchase price~~ The fair market
10 value of a replacement motor vehicle owned by a motor vehicle
11 dealer licensed under chapter 322 which is being registered
12 by that dealer and is not otherwise exempt from the fee for
13 new registration, ~~is the fair market value of a replaced motor~~
14 ~~vehicle~~ if all of the following conditions are met:
15 (a) The motor vehicle being registered is being placed in
16 service as a replacement motor vehicle for a motor vehicle
17 registered by the motor vehicle dealer.
18 (b) The motor vehicle being registered is taken from the
19 motor vehicle dealer's inventory.
20 (c) Use tax or the fee for new registration on the motor
21 vehicle being replaced was paid by the motor vehicle dealer
22 when that motor vehicle was registered.
23 (d) The replaced motor vehicle is returned to the motor
24 vehicle dealer's inventory for sale.
25 (e) The application for registration and title of the motor
26 vehicle being registered is filed with the county treasurer
27 within two weeks of the date the replaced motor vehicle is
28 returned to the motor vehicle dealer's inventory.
29 (f) The motor vehicle being registered is placed in the same
30 or substantially similar service as the replaced motor vehicle.
31 Sec. 14. Section 321.105A, subsection 2, paragraph c,
32 subparagraph (1), Code 2021, is amended to read as follows:
33 (1) Entities listed in section 423.3, subsections 17, 18,
34 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that
35 those entities are exempt from the tax imposed on the sale of

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tangible personal property~~, consisting of goods, wares, or merchandise,~~ sold at retail in the state to consumers or users.

Sec. 15. Section 321.105A, subsection 2, paragraph c, subparagraph (3), subparagraph divisions (a) and (c), Code 2021, are amended to read as follows:

(a) Vehicles subject to registration which are transferred from ~~a business or individual conducting a business within this state as a sole proprietorship, partnership, or limited liability company to a corporation formed by the sole proprietorship, partnership, or limited liability company for the purpose of continuing the business when all of the stock of the corporation so formed is owned by the sole proprietor and the sole proprietor's spouse, by all the partners in the case of a partnership, or by all the members in the case of a limited liability company. This exemption is equally available where the vehicles subject to registration are transferred from a corporation to a sole proprietorship, partnership, or limited liability company formed by that corporation for the purpose of continuing the business when all of the incidents of ownership are owned by the same person or persons who were stockholders of the corporation.~~ an entity doing business within this state to another entity doing business within this state if all of the following apply:

(i) The receiving entity was formed by the transferring entity for the purpose of continuing the business.

(ii) (A) All ownership remains the same and in the same proportions as the previous ownership with no fewer or additional owners or replacement owners.

(B) In the case of a sole proprietorship, the spouse of the sole proprietor may stand in place of the sole proprietor.

(c) ~~This exemption applies to corporations that~~ For an exemption under this subparagraph, a receiving entity shall have been in existence for not longer than twenty-four months.

Sec. 16. Section 321.105A, subsection 2, paragraph c, subparagraphs (7), (8), (15), (18), and (19), Code 2021, are

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amended to read as follows:

(7) Vehicles subject to registration in this state for which the applicant for registration has paid to another state a state sales, use, or occupational tax, or paid the equivalent sales or excise tax of another country to that country. However, if the tax paid to another state or country is less than the fee for new registration calculated for the vehicle, the difference shall be the amount to be collected as the fee for new registration.

(8) A vehicle subject to registration in this state which is owned by a person who has moved from another state or country with the intention of changing residency to Iowa, provided that the vehicle was purchased for use in the state or country from which the applicant moved and was not, at or near the time of purchase, purchased for use in Iowa.

(15) Vehicles purchased by a ~~licensed~~ wholesaler of new motor vehicles licensed under section 322.27A for resale by the same wholesaler.

(18) A vehicle delivered to a resident Native American Indian on ~~the~~ a reservation.

(19) A vehicle transferred from one individual to another individual as a gift in a transaction in which no consideration is present.

Sec. 17. Section 321.105A, subsection 2, paragraph c, subparagraph (25), unnumbered paragraph 1, Code 2021, is amended to read as follows:

Vehicles subject to registration under this chapter ~~with a gross vehicle weight rating of less than sixteen thousand pounds~~ when purchased for lease and titled by the lessor licensed pursuant to chapter 321F and actually leased for a period of ~~twelve~~ six months or more if the lease of the vehicle is subject to the fee for new registration under subsection 3 or exempt from the fee for new registration pursuant to subsection 3, paragraph *"f"*.

Sec. 18. Section 321.105A, subsection 3, paragraphs a and e,

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Code 2021, are amended to read as follows:

a. A fee for new registration is imposed in an amount equal to five percent of the leased price for each vehicle subject to registration ~~with a gross vehicle weight rating of less than sixteen thousand pounds~~ which is leased by a lessor licensed pursuant to chapter 321F for a period of ~~twelve~~ six months or more. The fee for new registration shall be paid by the owner of the vehicle to the county treasurer from whom the registration receipt or certificate of title is obtained. A registration receipt for a vehicle subject to registration or issuance of a certificate of title shall not be issued until the fee for new registration is paid in the initial instance.

e. If the lease is terminated or voided prior to the termination date contained in the lease agreement, no refund shall be allowed for a fee for new registration previously paid under this section, except as provided in section 322G.4.

Sec. 19. Section 321.105A, subsection 7, Code 2021, is amended to read as follows:

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

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

b. Evasion fee. An Iowa resident found to be in control of a vehicle which is owned by a shell business and for which the fee for new registration has not been paid, as provided in section 321.55, subsection 2, is guilty of a fraudulent

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1 practice. An Iowa resident found to be in control of a vehicle
2 which is owned by a shell business and for which the fee for new
3 registration has not been paid, as provided in section 321.55,
4 subsection 2, shall be assessed a penalty of seventy-five
5 percent of the amount of the fee unpaid and required to be paid
6 on the actual purchase price less trade-in allowance.
7 *c. Failure to file.* If a person required by this chapter to
8 file an application for certificate of title or registration
9 with the county treasurer fails to file such application or
10 registration on or before the due date for such application or
11 registration, a penalty in the amount of ten percent of the fee
12 for new registration due shall be added to the fee.
13 *d. Underpayment.* If a person required by this chapter to
14 file an application for certificate of title or registration
15 with the county treasurer files such application or
16 registration with any inaccurate information that results in
17 the person paying less than the full amount of the fee for new
18 registration, penalties, or interest that was due at the time
19 of application, a penalty in the amount of five percent of the
20 fee for new registration due shall be added to the fee.
21 DIVISION V
22 PENALTIES —— IMPUTED IOWA LIABILITY
23 Sec. 20. Section 421.27, subsection 9, paragraph a, Code
24 2021, is amended to read as follows:
25 *a. "Imputed Iowa liability"* means any of the following:
26 (1) In the case of corporations other than corporations
27 described in section 422.34 or section 422.36, subsection 5,
28 the corporation's Iowa net income after the application of the
29 Iowa business activity ratio, if applicable, multiplied by the
30 top income tax rate imposed under section 422.33 for the tax
31 year, less any Iowa tax credits available to the corporation.
32 (2) In the case of financial institutions as defined in
33 section 422.61, the financial institution's Iowa net income
34 after the application of the Iowa business activity ratio, if
35 applicable, multiplied by the franchise tax rate imposed under

section 422.63 for the tax year, less any Iowa tax credits available to the financial institution.

(3) In this case of all other entities, including corporations described in section 422.36, subsection 5, and all other entities required to file an information return under section 422.15, subsection 2, the entity's Iowa net income after the application of the Iowa business activity ratio, if applicable, multiplied by the top income tax rate imposed under section 422.5A for the tax year, less any Iowa tax credits available to the entity.

DIVISION VI

PARTNERSHIP AND PASS-THROUGH ENTITY AUDITS AND REPORTING

Sec. 21. Section 422.7, subsection 59, Code 2021, is amended to read as follows:

59. Any ~~income~~ adjustment subtracted from federal taxable income for an adjustment year pursuant to section 6225 of the Internal Revenue Code and the regulations thereunder shall be added back in computing net income of the partnership and the partners for state tax purposes for the adjustment year.

Sec. 22. Section 422.25A, subsection 1, paragraph k, subparagraph (1), Code 2021, is amended to read as follows:

(1) In the case of a federal partnership adjustment that arises from a partnership level audit, the first day on which no federal adjustments arising from that audit remain to be finally determined, whether by internal revenue service decision with respect to which all rights of appeal have been waived or exhausted, by agreement, or, if appealed or contested, by a final decision with respect to which all rights of appeal have been waived or exhausted. For agreements required to be signed by the internal revenue service and the audited partnership, the final determination date is the date on which the last party signed the agreement.

Sec. 23. Section 422.25A, subsection 4, Code 2021, is amended to read as follows:

4. *Reporting and payment requirements for ~~audited~~*

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partnerships and their partners subject to final federal partnership adjustments.

a. Unless an audited partnership makes the election in subsection 5, ~~the audited~~ a partnership shall do all of the following for all final federal partnership adjustments no later than ninety days after the final determination date ~~of the audited partnership~~:

(1) File a completed federal adjustments report.

(2) Notify each direct partner of such partner's distributive share of the adjustments in the manner and form prescribed by the department by rule.

(3) File an amended composite return under section 422.13 if one was originally filed, and if applicable for withholding from partners, file an amended withholding report under section 422.16, and pay the additional amount under this title that would have been due had the final federal partnership adjustments been reported properly as required, including any applicable interest and penalties.

b. Unless an audited partnership paid an amount on behalf of the direct partners of the ~~audited~~ partnership pursuant to subsection 5, all direct partners of the ~~audited~~ partnership shall do all of the following no later than one hundred eighty days after the final determination date ~~of the audited partnership~~:

(1) File a completed federal adjustments report reporting the direct partner's distributive share of the adjustments required to be reported to such partners under paragraph *"a"*.

(2) If the direct partner is a tiered partner, notify all partners that hold an interest directly in the tiered partner of such partner's distributive share of the adjustments in the manner and form prescribed by the department by rule.

(3) If the direct partner is a tiered partner and subject to section 422.13, file an amended composite return under section 422.13 if such return was originally filed, and if applicable for withholding from partners file an amended withholding

1 report under section 422.16 if one was originally required to
2 be filed.
3 (4) Pay any additional amount under this title that would
4 have been due had the final federal partnership adjustments
5 been reported properly as required, including any applicable
6 penalty and interest.
7 *c.* Unless a partnership or tiered partner paid an amount on
8 behalf of the partners pursuant to subsection 5, each indirect
9 partner shall do all of the following:
10 (1) Within ninety days after the time for filing and
11 furnishing statements to tiered partners and their partners
12 as established by section 6226 of the Internal Revenue Code
13 and the regulations thereunder, file a completed federal
14 adjustments report.
15 (2) If the indirect partner is a tiered partner, within
16 ninety days after the time for filing and furnishing statements
17 to tiered partners and their partners as established by
18 section 6226 of the Internal Revenue Code and the regulations
19 thereunder but within sufficient time for all indirect partners
20 to also complete the requirements of this subsection, notify
21 all of the partners that hold an interest directly in the
22 tiered partner of such partner's distributive share of the
23 adjustments in the manner and form prescribed by the department
24 by rule.
25 (3) Within ninety days after the time for filing and
26 furnishing statements to tiered partners and their partners
27 as established by section 6226 of the Internal Revenue Code
28 and the regulations thereunder, if the indirect partner
29 is a tiered partner and subject to section 422.13, file an
30 amended composite return under section 422.13 if such return
31 was originally filed, and if applicable for withholding from
32 partners, file an amended withholding report under section
33 422.16 if one was originally required to be filed.
34 (4) Within ninety days after the time for filing and
35 furnishing statements to tiered partners and the partners of

the tiered partners as established by section 6226 of the Internal Revenue Code and the regulations thereunder, pay any additional amount due under this title, including any penalty and interest that would have been due had the final federal partnership adjustments been reported properly as required.

Sec. 24. Section 422.25A, subsection 5, paragraph a, Code 2021, is amended to read as follows:

a. An audited partnership, or a tiered partner of an audited partnership that receives a notification ~~of a final federal partnership adjustment~~ under subsection 4 of a final federal partnership adjustment arising from a partnership level audit, may make an election to pay as provided under this subsection.

Sec. 25. Section 422.25A, subsection 5, paragraph b, unnumbered paragraph 1, Code 2021, is amended to read as follows:

An audited partnership or tiered partner ~~makes~~ shall make an election to pay under this subsection ~~by filing~~ in the manner and form prescribed by the department. The audited partnership or tiered partner making an election to pay shall file a completed federal adjustments report, ~~notifying the department in the manner and form prescribed by the department that it is making the election under this subsection, notifying~~ notify each of the direct partners of such partner's distributive share of the adjustments, and ~~paying~~ pay on behalf of its partners an amount calculated in paragraph *"c"*, including any applicable penalty and interest. These requirements shall all be fulfilled within one of the following time periods:

Sec. 26. Section 422.25A, subsection 5, paragraph c, subparagraph (6), Code 2021, is amended to read as follows:

(6) (a) Total the amounts computed pursuant to subparagraphs (2) through (5) and calculate any interest and penalty as provided under this title. Notwithstanding any provision of law to the contrary, interest and penalties on the amount due by the audited partnership or tiered partner shall be computed from the day after the due date of the reviewed

year return without extension, and shall be imposed as if the audited partnership or tiered partner was required to pay tax or show tax due on the original return for the reviewed year.

(b) The director may establish rules providing for the calculation of amounts due under this subsection for federal partnership adjustments that affect state tax owed but that do not fit within the calculation in subparagraphs (2) through (5), such as tax credit changes. The director may establish rules that include changes related to state-specific issues following a state partnership audit in the election to pay and calculation of amounts due under this subsection, including but not limited to allocation and apportionment. Interest and penalty shall be computed in the same manner as described in subparagraph division (a).

Sec. 27. Section 422.25A, subsection 7, paragraph d, Code 2021, is amended to read as follows:

d. Nothing in this section shall prohibit the department from assessing direct partners and indirect partners for taxes they owe in the event that ~~an audited~~ a partnership or tiered partner fails to timely make any report or payment required by this section for any reason.

Sec. 28. Section 422.25A, subsection 8, paragraph a, Code 2021, is amended to read as follows:

a. The department shall assess additional Iowa income tax, interest, and penalties arising from final federal partnership adjustments in the same manner as provided in this title unless a different treatment is provided by this subsection. Since final federal partnership adjustments are determined at the ~~audited~~ partnership level, any assessment issued to partners shall not be appealable by the partner. The department may assess any taxes, including on-behalf-of amounts, interest, and penalties arising from the final federal partnership adjustments if it issues a notice of assessment to the ~~audited~~ partnership, tiered partner, or other direct or indirect partner on or before the expiration of the applicable

limitations period specified in section 422.25.

Sec. 29. Section 422.25C, subsection 4, Code 2021, is amended to read as follows:

4. If the department, the partnership or pass-through entity, and owners representing a majority of the ownership interests in the partnership or pass-through entity ~~owners~~ agree, the provisions of this section may be applied to tax years beginning before January 1, 2020.

Sec. 30. Section 422.35, subsection 26, Code 2021, is amended to read as follows:

26. Any ~~income~~ adjustment subtracted from federal taxable income for an adjustment year pursuant to section 6225 of the Internal Revenue Code and the regulations thereunder shall be added back in computing net income of the partnership and the partners for state tax purposes for the adjustment year.

Sec. 31. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 32. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to July 1, 2020, and applies to federal adjustments and federal partnership adjustments that have a final determination date after July 1, 2020.

DIVISION VII

VEHICLE REGISTRATION RENEWALS AND COLLECTIONS BY COUNTY TREASURERS — CENTRALIZED COLLECTION UNIT — DEPARTMENT OF REVENUE

Sec. 33. Section 321.40, subsection 6, paragraph b, Code 2021, is amended to read as follows:

b. ~~The~~ A county treasurer ~~of the county of the person's residence and in which the person's vehicle is registered~~, in cooperation with the department of revenue, may collect from a person applying for renewal of a vehicle registration delinquent taxes, including penalties and interest owed to the state ~~from a person applying for renewal of a vehicle registration~~, and nontax liabilities being collected by the central collection unit of the department of revenue

pursuant to section 421.17, subsection 27. The applicant may remit full payment of the ~~taxes~~ balance owed including applicable penalties and interest, along with a processing fee of five dollars, to the county treasurer at the time of registration renewal. Upon full payment of the required ~~taxes~~ balance owed including applicable penalties and interest, the processing fee, and the vehicle registration fee, the county treasurer shall issue the registration to the person. A county treasurer collecting on behalf of the department of revenue shall update the vehicle registration records through the distributed teleprocessing network on a daily basis for all persons who have paid taxes or other balances owed pursuant to this subsection. A county treasurer shall forward all funds collected for the department of revenue to the department of revenue.

Sec. 34. Section 421.17, subsection 27, paragraph k, Code 2021, is amended to read as follows:

k. ~~A~~ Pursuant to section 321.40, subsection 6, and rules adopted pursuant to this paragraph, a county treasurer may collect delinquent taxes, including penalties and interest, ~~administered by the department in conjunction with renewal of a vehicle registration as provided in section 321.40, subsection 6, paragraph "*b*", and rules adopted pursuant to this paragraph~~ and nontax liabilities being collected by the central collection unit of the department of revenue. County treasurers shall be given access to information ~~required for the collection of delinquent taxes, including penalties and interest,~~ as necessary to accomplish the purposes of section 321.40, subsection 6~~, paragraph "*b*"~~. The confidentiality provisions of sections 422.20 and 422.72 do not apply to information provided by the department to a county treasurer pursuant to this paragraph. A county treasurer collecting taxes, penalties, and interest administered by the department is subject to the requirements and penalties of the confidentiality laws of this state regarding tax or

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indebtedness information. The director shall adopt rules to implement the ~~collection of tax debt as~~ collections authorized in section 321.40 and this paragraph.

DIVISION VIII

GARNISHMENT

Sec. 35. Section 626.31, Code 2021, is amended to read as follows:

626.31 Return of garnishment — action docketed — distress action.

Where parties have been garnished under a distress warrant issued by the director of revenue or the director of inspections and appeals, the officer shall make return thereof to the court in the county where the garnishee lives, if the garnishee lives in Iowa, otherwise in the county where the taxpayer resides, if the taxpayer lives in Iowa; and if neither the garnishee nor the taxpayer lives in Iowa, then to the district court in Polk county, Iowa; the officer shall make return in the same manner as a return is made on a garnishment made under a writ of execution so far as they relate to garnishments, and the clerk of the district court shall docket an action thereon without fee the same as if a judgment had been recovered against the taxpayer in the county where the return is made, an execution issued thereon, and garnishment made thereunder, and thereafter the proceedings shall conform to proceedings in garnishment under attachments as nearly as may be. The warrant shall be considered in all respects as a final judgment.

DIVISION IX

SNOWMOBILES, ALL-TERRAIN VEHICLES, AND VESSELS — PURCHASES — PAYMENT OF SALES OR USE TAX

Sec. 36. Section 321G.4, subsection 2, paragraph b, Code 2021, is amended to read as follows:

b. If the owner of the snowmobile is unable to present satisfactory evidence that the sales or use tax has been paid, the county recorder shall collect the tax. On or before the

tenth day of each month, the county recorder shall remit to the department of revenue the amount of the taxes collected during the preceding month, ~~together with an itemized statement on forms furnished by the department of revenue showing the name of each taxpayer, the make and purchase price of each snowmobile, the amount of tax paid, and such other information as the department of revenue requires~~ in a manner prescribed by the department.

Sec. 37. Section 321I.4, subsection 2, paragraph b, Code 2021, is amended to read as follows:

b. If the owner of the all-terrain vehicle is unable to present satisfactory evidence that the sales or use tax has been paid, the county recorder shall collect the tax. On or before the tenth day of each month, the county recorder shall remit to the department of revenue the amount of the taxes collected during the preceding month, ~~together with an itemized statement on forms furnished by the department of revenue showing the name of each taxpayer, the make and purchase price of each all-terrain vehicle, the amount of tax paid, and such other information as the department of revenue requires~~ in a manner prescribed by the department.

Sec. 38. Section 462A.55, Code 2021, is amended to read as follows:

462A.55 Sales or use tax to be paid before registration.

No vessel shall be registered by the county recorder until there has been presented to the recorder receipts, bills of sale, or other satisfactory evidence that the sales or use tax has been paid for the purchase of the vessel. If the owner of the vessel is unable to present satisfactory evidence that the sales or use tax has been paid, the county recorder shall collect the tax. On or before the tenth day of each month, the county recorder shall remit to the department of revenue the amount of the taxes so collected during the preceding month, ~~together with an itemized statement on forms furnished by the department of revenue showing the name of each taxpayer, the~~

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~~make and purchase price of each vessel and motor, the amount of tax paid, and such other information as the department of revenue shall require~~ in a manner prescribed by the department.

DIVISION X

TANGIBLE PERSONAL PROPERTY — RENTALS — SALES AND USE TAX

Sec. 39. Section 9C.1, subsection 1, Code 2021, is amended to read as follows:

1. As used in this chapter, the term *"transient merchant"* shall mean and include every merchant, whether an individual person, a firm, corporation, partnership, or association, and whether owner, agent, bailee, consignee, or employee, who shall bring or cause to be brought within the state of Iowa any ~~goods, wares, or merchandise~~ tangible personal property of any kind, nature, or description, with the intention of temporarily or intermittently selling or offering to sell at retail such ~~goods, wares, or merchandise~~ tangible personal property within the state of Iowa. The term *"transient merchant"* shall also mean and include every merchant, whether an individual person, a firm, corporation, partnership, or an association, who shall by itself, or by agent, consignee, or employee, temporarily or intermittently engage in or conduct at one or more locations a business within the state of Iowa for the sale at retail of any ~~goods, wares, or merchandise~~ tangible personal property of any nature or description.

Sec. 40. Section 9C.2, Code 2021, is amended to read as follows:

9C.2 License required.

It shall be unlawful for any transient merchant to sell, dispose of, or offer for sale any ~~goods, wares or merchandise~~ tangible personal property of any kind, nature or description, at any time or place within the state of Iowa, outside the limits of any city in the state of Iowa, or within the limits of any city in the state of Iowa that has not by ordinance provided for the licensing of transient merchants, unless such transient merchant has a valid license as provided in this

chapter and has complied with the regulations set forth in this chapter.

Sec. 41. Section 9C.3, unnumbered paragraph 1, Code 2021, is amended to read as follows:

Any transient merchant desiring a transient merchant's license shall at least ten days prior to the first day any sale is made, file with the secretary of state of the state of Iowa an application in writing duly verified by the person, firm, corporation, partnership, or association proposing to sell or offer to sell at retail any ~~goods, wares, or merchandise~~ tangible personal property, or to engage in or conduct a temporary or intermittent business for the sale at retail of any ~~goods, wares, or merchandise~~ tangible personal property. The application shall state the following facts:

Sec. 42. Section 9C.3, subsections 2, 5, 6, and 7, Code 2021, are amended to read as follows:

2. If the application be made by an agent, bailee, consignee, or employee, the application shall so state and set out the name and address of such agent, bailee, consignee, or employee and shall also set out the name and address of the owner of the ~~goods, wares, and merchandise~~ tangible personal property to be sold or offered for sale.

5. The value of the ~~goods~~ tangible personal property to be sold or offered for sale or the average inventory to be carried by any such transient merchant engaging in or conducting an intermittent or temporary business as the case may be.

6. The date or dates upon which said ~~goods, wares, or merchandise~~ tangible personal property shall be sold or offered for sale, or the date or dates upon which it is the intention of the applicant to engage in or conduct a temporary or intermittent business.

7. The location and address where such ~~goods, wares, or merchandise~~ tangible personal property shall be sold or offered for sale, or such business engaged in or conducted.

Sec. 43. Section 9C.4, subsection 1, Code 2021, is amended

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to read as follows:

1. At the time and as part of filing the application, the applicant shall file with the secretary of state a bond, with sureties to be approved by the secretary of state, in a penal sum two times the value of the ~~goods, wares or merchandise~~ tangible personal property to be sold or offered for sale or the average inventory to be carried by such transient merchant engaged in or conducting an intermittent or temporary business as the case may be as shown by the application, running to the state of Iowa, for the use and benefit of any purchaser of any ~~merchandise~~ tangible personal property from such transient merchant who might have a cause of action of any nature arising from or out of such sale against the applicant or the owner of such ~~merchandise~~ property if other than the applicant. The bond shall be conditioned on the payment by the applicant of all taxes that may be payable by, or due from, the applicant to the state of Iowa or any subdivision thereof, and shall be further conditioned for the payment of any fines that may be assessed by any court against the applicant for violation of the provision of this chapter, as well as for the payment and satisfaction of any and all causes of action against the applicant commenced within one year from the date of sale thereof, and arising from such sale. However, the aggregate liability of the surety for all such taxes, fines, and causes of action shall in no event exceed the principal sum of such bond.

Sec. 44. Section 9C.6, Code 2021, is amended to read as follows:

9C.6 License fee.

Prior to issuing the said transient merchant's license, the secretary of state shall collect for the state of Iowa a license fee in the sum of twenty-five dollars for each day the applicant, as shown by the application, shall propose to sell or offer for sale any ~~goods, wares or merchandise~~ tangible personal property, or for each day the applicant, as shown by

the application, proposes to engage in and conduct a business as a transient merchant as the case may be.

Sec. 45. Section 9C.7, Code 2021, is amended to read as follows:

9C.7 Misrepresentation.

It shall be unlawful for any transient merchant making sales or engaging in or conducting a business under a transient merchant's license to make any false or misleading statements or representation regarding any article sold or offered for sale by such transient merchant as to condition, quality, original cost, or cost to such transient merchant of any article sold or offered for sale or to sell or offer for sale ~~goods, wares or merchandise~~ tangible personal property of a value in excess of the value thereof as shown by said application, or to sell or offer for sale at retail any ~~goods, wares or merchandise~~ tangible personal property, or to engage in or conduct an intermittent or temporary business on any days or at any place other than those shown by such license.

Sec. 46. Section 15.331A, subsection 1, Code 2021, is amended to read as follows:

1. The eligible business shall be entitled to a refund of the sales and use taxes paid under chapter 423 for gas, electricity, water, or sewer utility services, ~~goods, wares, or merchandise~~ tangible personal property, or on services rendered, furnished, or performed to or for a contractor or subcontractor and used in the fulfillment of a written contract relating to the construction or equipping of a facility that is part of a project of the eligible business. Taxes attributable to intangible property and furniture and furnishings shall not be refunded. However, an eligible business shall be entitled to a refund for taxes attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center subject to section 15.331C.

Sec. 47. Section 15.331A, subsection 2, paragraphs a and b, Code 2021, are amended to read as follows:

a. The contractor or subcontractor shall state under oath, on forms provided by the department of revenue, the amount of the sales of ~~goods, wares, or merchandise~~ tangible personal property or services rendered, furnished, or performed including water, sewer, gas, and electric utility services upon which sales or use tax has been paid prior to the project completion, and shall file the forms with the eligible business before final settlement is made.

b. The eligible business shall, not more than one year after project completion, make application to the department of revenue for any refund of the amount of the sales and use taxes paid pursuant to chapter 423 upon any ~~goods, wares, or merchandise~~ tangible personal property, or services rendered, furnished, or performed, including water, sewer, gas, and electric utility services. The application shall be made in the manner and upon forms to be provided by the department of revenue, and the department of revenue shall audit the claim and, if approved, issue a warrant to the eligible business in the amount of the sales or use tax which has been paid to the state of Iowa under a contract. A claim filed by the eligible business in accordance with this section shall not be denied by reason of a limitation provision set forth in chapter 421 or 423.

Sec. 48. Section 15.331C, Code 2021, is amended to read as follows:

15.331C Corporate tax credit for certain sales taxes paid by third-party developer.

1. An eligible business may claim a corporate tax credit in an amount equal to the sales and use taxes paid by a third-party developer under chapter 423 for gas, electricity, water, or sewer utility services, ~~goods, wares, or merchandise~~ tangible personal property, or on services rendered, furnished, or performed to or for a contractor or subcontractor and used in the fulfillment of a written contract relating to the construction or equipping of a facility of the eligible

business. Taxes attributable to intangible property and furniture and furnishings shall not be included, but taxes attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center shall be included. 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. An eligible business may elect to receive a refund of all or a portion of an unused tax credit.

2. A third-party developer shall state under oath, on forms provided by the department of revenue, the amount of taxes paid as described in subsection 1 and shall submit such forms to the department of revenue. The taxes paid shall be itemized to allow identification of the taxes attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center. After receiving the form from the third-party developer, the department of revenue shall issue a tax credit certificate to the eligible business equal to the sales and use taxes paid by a third-party developer under chapter 423 for gas, electricity, water, or sewer utility services, ~~goods, wares, or merchandise~~ tangible personal property, or on services rendered, furnished, or performed to or for a contractor or subcontractor and used in the fulfillment of a written contract relating to the construction or equipping of a facility. The department of revenue shall also issue a tax credit certificate to the eligible business equal to the taxes paid and attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center. The aggregate combined total amount of tax refunds under section 15.331A for taxes attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center and of tax credit certificates issued by the department of revenue for the taxes paid and attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center shall not

exceed five hundred thousand dollars in a fiscal year. If an applicant for a tax credit certificate does not receive a certificate for the taxes paid and attributable to racks, shelving, and conveyor equipment to be used in a warehouse or distribution center, the application shall be considered in succeeding fiscal years. The eligible business shall not claim a tax credit under this section unless a tax credit certificate issued by the department of revenue is included with the taxpayer's tax return for the tax year for which the tax credit is claimed. A tax credit certificate shall contain the eligible business's name, address, tax identification number, the amount of the tax credit, and other information deemed necessary by the department of revenue.

Sec. 49. Section 321.105A, subsection 3, paragraph f, subparagraph (1), Code 2021, is amended to read as follows:

(1) Vehicles leased to entities listed in section 423.3, subsections 17, 18, 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that those entities are exempt from the tax imposed on the sale of tangible personal property~~, consisting of goods, wares, or merchandise,~~ sold at retail in the state to consumers or users.

Sec. 50. Section 423.1, subsection 21, Code 2021, is amended by striking the subsection.

Sec. 51. Section 423.1, subsection 50, Code 2021, is amended to read as follows:

50. *a.* *"Sales"* or *"sale"* means any transfer, exchange, or barter, conditional or otherwise, in any manner or by any means whatsoever, for consideration, including but not limited to any such transfer, exchange, or barter on a subscription basis.

b. *"Sales"* or *"sale"* includes a rental.

Sec. 52. Section 423.2, subsection 1, unnumbered paragraph 1, Code 2021, is amended to read as follows:

There is imposed a tax of six percent upon the sales price of all sales of tangible personal property, ~~consisting of goods, wares, or merchandise,~~ sold at retail in the state to consumers

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or users except as otherwise provided in this subchapter.

Sec. 53. Section 423.3, subsections 13, 46, 47A, 75, and 76, Code 2021, are amended to read as follows:

13. The sales price from the sale ~~or rental~~ of irrigation equipment, whether installed above or below ground, to a contractor or farmer if the equipment will be primarily used in agricultural operations.

46. The sales price from sales ~~or rentals~~ to a printer or publisher of the following: acetate; anti-halation backing; antistatic spray; back lining; base material used as a carrier for light sensitive emulsions; blankets; blow-ups; bronze powder; carbon tissue; codas; color filters; color separations; contacts; continuous tone separations; creative art; custom dies and die cutting materials; dampener sleeves; dampening solution; design and styling; diazo coating; dot etching; dot etching solutions; drawings; drawsheets; driers; duplicate films or prints; electronically digitized images; electrotypes; end product of image modulation; engravings; etch solutions; film; finished art or final art; fix; fixative spray; flats; flying pasters; foils; goldenrod paper; gum; halftones; illustrations; ink; ink paste; keylines; lacquer; lasering images; layouts; lettering; line negatives and positives; linotypes; lithographic offset plates; magnesium and zinc etchings; masking paper; masks; masters; mats; mat service; metal toner; models and modeling; mylar; negatives; nonoffset spray; opaque film process paper; opaquing; padding compound; paper stock; photographic materials: acids, plastic film, desensitizer emulsion, exposure chemicals, fix, developers, and paper; photography, day rate; photopolymer coating; photographs; photostats; photo-display tape; phototypesetter materials; pH-indicator sticks; positives; press pack; printing cylinders; printing plates, all types; process lettering; proof paper; proofs and proof processes, all types; pumice powder; purchased author alterations; purchased composition; purchased phototypesetting; purchased stripping and pasteups;

red litho tape; reducers; roller covering; screen tints; sketches; stepped plates; stereotypes; strip types; substrate; tints; tissue overlays; toners; transparencies; tympan; typesetting; typography; varnishes; veloxes; wood mounts; and any other items used in a like capacity to any of the above enumerated items by the printer or publisher to complete a finished product for sale at retail. Expendable tools and supplies which are not enumerated in this subsection are excluded from the exemption. *"Printer"* means that portion of a person's business engaged in printing that completes a finished product for ultimate sale at retail or means that portion of a person's business used to complete a finished printed packaging material used to package a product for ultimate sale at retail. *"Printer"* does not mean an in-house printer who prints or copyrights its own materials.

47A. The sales price from the sale ~~or rental~~ of central office equipment or transmission equipment primarily used by local exchange carriers and competitive local exchange service providers as defined in section 476.96, Code 2017; by franchised cable television operators, mutual companies, municipal utilities, cooperatives, and companies furnishing communications services that are not subject to rate regulation as provided in chapter 476; by long distance companies as defined in section 477.10; or for a commercial mobile radio service as defined in 47 C.F.R. §20.3 in the furnishing of telecommunications services on a commercial basis. For the purposes of this subsection, *"central office equipment"* means equipment utilized in the initiating, processing, amplifying, switching, or monitoring of telecommunications services. *"Transmission equipment"* means equipment utilized in the process of sending information from one location to another location. *"Central office equipment"* and *"transmission equipment"* also include ancillary equipment and apparatus which support, regulate, control, repair, test, or enable such equipment to accomplish its function.

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75. The sales price from the sale ~~or rental~~ of aircraft; the sale ~~or rental~~ of tangible personal property permanently affixed or attached as a component part of the aircraft, including but not limited to repair or replacement materials or parts; and the sales price of all services used for aircraft repair, remodeling, and maintenance services when such services are performed on aircraft, aircraft engines, or aircraft component materials or parts. For the purposes of this exemption, *"aircraft"* means aircraft used in a scheduled interstate federal aviation administration certificated air carrier operation.

76. The sales price from the sale ~~or rental~~ of tangible personal property permanently affixed or attached as a component part of the aircraft, including but not limited to repair or replacement materials or parts; and the sales price of all services used for aircraft repair, remodeling, and maintenance services when such services are performed on aircraft, aircraft engines, or aircraft component materials or parts. For the purposes of this exemption, *"aircraft"* means aircraft used in nonscheduled interstate federal aviation administration certificated air carrier operation operating under 14 C.F.R. ch. 1, pt. 135.

Sec. 54. Section 423.3, subsection 47, paragraph a, unnumbered paragraph 1, Code 2021, is amended to read as follows:

The sales price from the sale ~~or rental~~ of computers, computer peripherals, machinery, equipment, replacement parts, supplies, and materials used to construct or self-construct computers, computer peripherals, machinery, equipment, replacement parts, and supplies, if such items are any of the following:

Sec. 55. Section 423.3, subsection 47, paragraph c, unnumbered paragraph 1, Code 2021, is amended to read as follows:

The sales price from the sale ~~or rental~~ of the following

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shall not be exempt from the tax imposed by this subchapter:

Sec. 56. Section 423.3, subsection 60, unnumbered paragraph 1, Code 2021, is amended to read as follows:

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

Sec. 57. Section 423.3, subsection 78, paragraphs a and c, Code 2021, are amended to read as follows:

a. The sales price from the sale of tangible personal property, specified digital products, or services rendered by any entity where the profits from the sale of the tangible personal property, specified digital products, or services rendered, are used by or donated to a nonprofit entity that is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code, a government entity, or a nonprofit private educational institution, and where the entire ~~proceeds from the sale or services~~ profits are expended for any of the following purposes:

(1) Educational.

(2) Religious.

(3) Charitable. A charitable act is an act done out of goodwill, benevolence, and a desire to add to or to improve the good of humankind in general or any class or portion of humankind, with no pecuniary profit inuring to the person performing the service or giving the gift.

c. Except as otherwise provided in subsection 97, this exemption does not apply to the sales price from games of skill, games of chance, raffles, and bingo games as defined in chapter 99B. This exemption is disallowed on the amount of the sales price only to the extent the profits ~~from the sales, rental, or services~~ are not used by or donated to the appropriate entity and expended for educational, religious, or charitable purposes.

Sec. 58. Section 423.3, subsection 82, paragraph a, Code

2021, is amended to read as follows:

a. The sales price from the sale ~~or rental~~ of core-making, mold-making, and sand-handling machinery and equipment, including replacement parts, directly and primarily used in the mold-making process by a foundry.

Sec. 59. Section 423.3, subsection 88, Code 2021, is amended to read as follows:

88. The sales price from the sale of building materials, supplies, ~~goods, wares, or merchandise~~ tangible personal property sold to a nonprofit Iowa affiliate of a nonprofit international organization whose primary activity is the promotion of the construction, remodeling, or rehabilitation of one-family or two-family dwellings for use by low-income families and where the building materials, supplies, ~~goods, wares, or merchandise~~ or tangible personal property are used in the construction, remodeling, or rehabilitation of such dwellings.

Sec. 60. Section 423.3, subsection 89, paragraphs a and b, Code 2021, are amended to read as follows:

a. The sales price of all ~~goods, wares, or merchandise~~ tangible personal property sold, or of services furnished, which are used in the fulfillment of a written construction contract for the original construction of a building or structure to be used as a collaborative educational facility.

b. The sales price of all ~~goods, wares, or merchandise~~ tangible personal property sold, or of services furnished, which are used in the fulfillment of a written construction contract for the construction of additions or modifications to a building or structure used as part of a collaborative educational facility.

Sec. 61. Section 423.3, subsection 92, paragraph a, subparagraph (1), Code 2021, is amended to read as follows:

(1) The sales price from the sale ~~or rental~~ of computers and equipment that are necessary for the maintenance and operation of a web search portal and property whether directly

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

Sec. 62. Section 423.3, subsection 92, paragraph b, subparagraph (1), Code 2021, is amended to read as follows:

(1) The business of the purchaser ~~or renter~~ shall be as a provider of a web search portal.

Sec. 63. Section 423.3, subsection 92, paragraph d, Code 2021, is amended to read as follows:

d. Failure to meet eighty percent of the minimum investment amount requirement specified in paragraph *"b"* within the first six years of operation from the date the web search portal business initiates site preparation activities will result in the web search portal business losing the right to claim this exemption and the web search portal business shall pay all sales or use tax that would have been due on the purchase ~~or rental~~ or use of the items listed in this exemption, plus any applicable penalty and interest imposed by statute.

Sec. 64. Section 423.3, subsection 93, paragraph a, subparagraph (1), Code 2021, is amended to read as follows:

(1) The sales price from the sale ~~or rental~~ of computers and equipment that are necessary for the maintenance and operation of a web search portal business and property whether directly or indirectly connected to the computers, including but not limited to cooling systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity used for the maintenance and operation of the web search portal

business, including but not limited to exterior dedicated business-owned substations, backup power generation systems, battery systems, and related infrastructure; and racking systems, cabling, and trays, which are necessary for the maintenance and operation of the web search portal business.

Sec. 65. Section 423.3, subsection 93, paragraph b, subparagraph (1), Code 2021, is amended to read as follows:

(1) The purchaser ~~or renter~~ shall be a web search portal business.

Sec. 66. Section 423.3, subsection 93, paragraph d, Code 2021, is amended to read as follows:

d. Failure to meet eighty percent of the minimum investment amount requirement specified in paragraph *"b"* within the first six years of operation from the date the web search portal business initiates site preparation activities will result in the web search portal business losing the right to claim this web search portal business exemption and the web search portal business shall pay all sales or use tax that would have been due on the purchase ~~or rental~~ or use of the items listed in this exemption, plus any applicable penalty and interest imposed by statute.

Sec. 67. Section 423.3, subsection 95, paragraph a, subparagraph (1), Code 2021, is amended to read as follows:

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

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the data center business.

Sec. 68. Section 423.3, subsection 95, paragraph b, subparagraph (1), Code 2021, is amended to read as follows:

(1) The purchaser ~~or renter~~ shall be a data center business.

Sec. 69. Section 423.3, subsection 95, paragraph d, Code 2021, is amended to read as follows:

d. Failure to meet eighty percent of the minimum investment amount requirement specified in paragraph *"b"* within the first six years of operation from the date the data center business initiates site preparation activities will result in the data center business losing the right to claim this data center business exemption and the data center business shall pay all sales or use tax that would have been due on the purchase ~~or rental~~ or use of the items listed in this exemption, plus any applicable penalty and interest imposed by statute.

Sec. 70. Section 423.4, subsection 1, paragraph b, subparagraph (3), Code 2021, is amended to read as follows:

(3) The building materials, supplies, equipment, or services furnished are not used in the performance of any contract in connection with the operation of any municipal utility engaged in selling gas, electricity, or heat to the general public or in connection with the operation of a municipal pay television system; and are not used in the performance of a contract for a ~~"project"~~ *"project"* under chapter 419 as defined in that chapter other than ~~goods, wares, or merchandise~~ building materials, supplies, or equipment used in the performance of a contract for a ~~"project"~~ *"project"* under chapter 419 for which a bond issue was approved by a municipality prior to July 1, 1968, or for which the ~~goods, wares, or merchandise~~ building materials, supplies, or equipment becomes an integral part of the project under contract and at the completion of the project becomes public property or is devoted to educational uses.

Sec. 71. Section 423.4, subsection 1, paragraph c, Code 2021, is amended to read as follows:

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c. A contractor shall state under oath, on forms provided by the department, the amount of such sales of ~~goods, wares, or merchandise~~ building materials, supplies, or equipment, or services furnished and used in the performance of such contract, and upon which sales or use tax has been paid, and shall file such forms with the designated exempt entity which has made any written contract for performance by the contractor. The forms shall be filed by the contractor with the designated exempt entity before final settlement is made.

Sec. 72. Section 423.31, subsection 4, Code 2021, is amended to read as follows:

4. Every retailer at the time of making any return required by this section shall compute and pay to the department the tax due for the preceding period. The tax on sales prices from the sale ~~or rental~~ of tangible personal property under a consumer rental purchase agreement as defined in section 537.3604, subsection 8, is payable in the tax period of receipt.

Sec. 73. Section 423B.8, subsection 1, Code 2021, is amended to read as follows:

1. Construction contractors may make application to the department for a refund of the additional local sales and services tax paid under this chapter by reason of taxes paid on ~~goods, wares, or merchandise~~ building materials, supplies, or equipment under the following conditions:

a. The ~~goods, wares, or merchandise~~ building materials, supplies, or equipment are incorporated into an improvement to real estate in fulfillment of a written contract fully executed prior to the date of the imposition of a local sales and services tax under this chapter. The refund shall not apply to equipment transferred in fulfillment of a mixed construction contract.

b. The contractor has paid to the department or to a retailer the full amount of the state and local tax.

c. The claim is filed on forms provided by the department and is filed within one year of the date the tax is paid.

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DIVISION XI

INTEREST RATE SET BY DIRECTOR OF REVENUE

Sec. 74. Section 421.7, subsection 6, Code 2021, is amended to read as follows:

6. In ~~October~~ November of each year the director shall cause an advisory notice to be published in the Iowa administrative bulletin and in a newspaper of general circulation in this state, stating the rate of interest to be in effect on or after January 1 of the following year, as established by this section. The calculation and publication of the rate of interest by the director is exempt from chapter 17A.

DIVISION XII

ASSESSORS

Sec. 75. Section 441.6, subsection 3, Code 2021, is amended to read as follows:

3. The appointee selected by the conference board under subsection 2 or appointed to a succeeding term under section 441.8, subsection 1, shall not assume the office of city or county assessor until such appointment is confirmed by the director of revenue. If the director of revenue rejects the appointment, the examining board shall conduct a new examination and submit a new report to the conference board under subsection 1. The director of revenue shall adopt rules pursuant to chapter 17A to implement and administer this subsection.

Sec. 76. Section 441.17, subsection 2, Code 2021, is amended to read as follows:

2. Cause to be assessed, in accordance with section 441.21, all the property in the assessor's county or city, except property exempt from taxation, or the assessment of which is otherwise provided for by law. However, an assessor or deputy assessor shall not personally assess a property if the person ~~or a member of the person's immediate family~~ owns the property, has a financial interest in the property, or has a financial interest in the entity that owns the property. The director of

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1 revenue shall adopt rules pursuant to chapter 17A to implement
2 and administer this subsection.
3 Sec. 77. Section 441.41, Code 2021, is amended to read as
4 follows:
5 **441.41 Legal counsel.**
6 1. In the case of cities having an assessor, the city legal
7 department shall represent the assessor and board of review
8 in all litigation dealing with assessments. In the case of
9 counties, the county attorney shall represent the assessor and
10 board of review in all litigation dealing with assessments.
11 Any taxing district interested in the taxes received from such
12 assessments may be represented by an attorney and shall be
13 required to appear by attorney upon written request of the
14 assessor to the presiding officer of any such taxing district.
15 Subject to review and prior approval by either the city legal
16 department in the case of a city or the county attorney in
17 the case of a county, the conference board may employ special
18 counsel to assist the city legal department or county attorney
19 as the case may be.
20 2. *a.* Upon the employment of special counsel described
21 in subsection 1, the assessor shall provide a report to the
22 department of revenue relating to the special counsel including
23 but not limited to the following:
24 (1) The date the employment started.
25 (2) Justification for the employment.
26 (3) The name and hourly rate of the special counsel.
27 (4) Any other information the department may require.
28 *b.* An assessor shall report annually to the director of
29 revenue on the cost of litigation for all matters dealing with
30 assessments in which special counsel assisted the city legal
31 department or county attorney as described in subsection 1.
32 *c.* The director of revenue shall adopt rules pursuant to
33 chapter 17A to administer this section.
34 DIVISION XIII
35 CONFIDENTIAL INFORMATION — DEPARTMENT OF REVENUE

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Sec. 78. Section 422.20, subsection 5, paragraph a, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (7) A return as defined in section 421.6.

Sec. 79. Section 422.20, subsection 5, paragraph c, Code 2021, is amended to read as follows:

c. Notwithstanding paragraph *"a"*, when making final orders, decisions, or opinions available for public inspection, the department may disclose the items in paragraph *"a"* if the department determines such information is relevant or necessary to the resolution or decision of the appeal or case.

Sec. 80. Section 422.72, subsection 8, paragraph a, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (7) A return as defined in section 421.6.

Sec. 81. Section 422.72, subsection 8, paragraph c, Code 2021, is amended to read as follows:

c. Notwithstanding paragraph *"a"*, when making final orders, decisions, or opinions available for public inspection, the department may disclose the items in paragraph *"a"* if the department determines such information is relevant or necessary to the resolution or decision of the appeal or case.

DIVISION XIV

POWER OF ATTORNEY — DEPARTMENT OF REVENUE

Sec. 82. Section 421.59, subsections 2 and 3, Code 2021, are amended to read as follows:

2. ~~The~~ Unless otherwise prohibited by law, the department may authorize the following persons to ~~act and receive information on behalf of and~~ exercise all of the rights of a taxpayer, regardless of whether a power of attorney has been filed pursuant to subsection 1:

a. A guardian, conservator, or custodian appointed by a court, if a taxpayer has been deemed legally incompetent by a court. The authority of the appointee to act on behalf of the taxpayer shall be limited to the extent specifically stated in the order of appointment.

(1) Upon request, a guardian, conservator, or custodian of

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a taxpayer shall submit to the department a copy of the court order appointing the guardian, conservator, or custodian.

(2) The department ~~may~~ has standing to petition the court that appointed the guardian, conservator, or custodian to verify the appointment or to determine the scope of the appointment.

b. A receiver appointed pursuant to chapter 680. An appointed receiver shall be limited to act on behalf of the taxpayer by the authority stated in the order of appointment.

(1) Upon the request of the department, a receiver shall submit to the department a copy of the court order appointing the receiver.

(2) The department ~~may~~ has standing to petition the court that appointed the receiver to verify the appointment or to determine the scope of the appointment.

c. An individual who has been named as an authorized representative on a fiduciary return of income filed under section 422.14 or a tax return filed under chapter 450.

d. (1) An individual holding the following title or position within a corporation, association, partnership, or other ~~business~~ entity:

(a) A president or chief executive officer, or any other officer of the corporation or association if the president or chief executive officer certifies that the officer has the authority to legally bind the corporation or association.

(b) A designated partner duly authorized to act on behalf of the partnership.

(c) A person authorized to act on behalf of a limited liability company in tax matters pursuant to a valid statement of authority.

(2) An individual seeking to act on behalf of a taxpayer pursuant to this paragraph shall ~~file an affidavit with the department attesting to the identity and qualifications of the individual and any necessary certifications required under this paragraph~~ affirm the authority of the individual to act

on behalf of the corporation, association, partnership, or other entity in a manner designated by the department. The department may require ~~any documents or other~~ evidence to demonstrate the individual has authority to act on behalf of the ~~taxpayer~~ corporation, association, partnership, or other entity before the department.

e. A licensed attorney who has appeared on behalf of the taxpayer or the ~~taxpayer's~~ probate estate in a court proceeding. Authorization under this paragraph is limited to those matters within the scope of the representation.

f. A parent or guardian of a taxpayer who has not reached the age of majority where the same parent or guardian has signed the taxpayer's return on behalf of the taxpayer. Authorization under this paragraph is limited to those matters relating to the return signed by the parent or guardian. Authorization under this paragraph automatically terminates when the taxpayer reaches the age of majority pursuant to section 599.1.

g. A representative of a government entity. An individual seeking to act on behalf of a government entity pursuant to this paragraph shall affirm the authority of the individual to act on behalf of the government entity in a manner designated by the department. The department may require evidence to demonstrate the individual has authority to act on behalf of the government entity.

h. An executor or personal representative of an estate.

(1) Upon request, the executor or personal representative shall submit to the department a copy of the will or court order appointing the executor or personal representative.

(2) The department has standing to petition the court that appointed the executor or personal representative to verify the appointment or to determine the scope of the appointment.

3. *a.* In lieu of executing a power of attorney pursuant to subsection 1, the department may ~~enter into a memorandum of understanding with the~~ allow a taxpayer ~~for each employee,~~

1 ~~officer, or member of a third-party~~ to designate an entity
2 engaged with or otherwise hired by a taxpayer to manage the
3 tax matters of the taxpayer, to permit the disclosure of
4 confidential tax information to the third-party entity and
5 the authority to act on behalf of the taxpayer. An entity so
6 designated may appoint or remove its own employees to carry
7 out acts authorized by the taxpayer on the entity's behalf.
8 The ~~memorandum of understanding shall adhere to requirements~~
9 ~~as established by the director~~ department may designate the
10 methods by which such designation and appointments may occur.
11 *b.* ~~The memorandum of understanding shall be signed by~~
12 ~~the director, the taxpayer, and the third-party entity or an~~
13 ~~authorized representative of the third-party entity.~~
14 ~~*c.*~~ At any time, a taxpayer may unilaterally revoke a
15 ~~memorandum of understanding entered into~~ designation pursuant
16 to this subsection by filing a notice of revocation with the
17 department. Upon the filing of such a revocation by the
18 taxpayer, the department shall cease honoring the ~~memorandum~~
19 ~~of understanding~~ designation.
20 DIVISION XV
21 SALES AND USE TAX REFUNDS
22 Sec. 83. Section 15.331A, subsection 2, paragraph c, Code
23 2021, is amended to read as follows:
24 *c.* The eligible business shall inform the department
25 of revenue in writing ~~within two weeks of~~ after project
26 completion. For purposes of this section, *"project completion"*
27 means the first date upon which the average annualized
28 production of finished product for the preceding ninety-day
29 period at the manufacturing facility operated by the eligible
30 business is at least fifty percent of the initial design
31 capacity of the facility.
32 Sec. 84. EFFECTIVE DATE. This division of this Act, being
33 deemed of immediate importance, takes effect upon enactment.
34 Sec. 85. APPLICABILITY. This division of this Act applies
35 to refund claims filed on or after the effective date of this

division of this Act.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to state taxation and related laws of the state including the collection of tax, tax credits, the assessment, valuation, and classification of property, fees for registration of vehicles, sales and use tax, and the authority of the director of revenue. The bill is organized into divisions.

TAX CREDIT FOR CERTAIN SALES TAXES PAID BY THIRD-PARTY DEVELOPERS. Currently, an eligible business may claim a corporate tax credit in an amount equal to the sales and use taxes paid by a third-party developer under Code chapter 423 for the construction or equipping of a facility of an eligible business. An "eligible business" is defined under Code section 15.329 and means in part a business making an investment of $10 million or more in a community.

The bill allows an individual to claim the tax credit on an individual return for certain sales tax paid by a third-party developer, if a partnership, limited liability company, S corporation, estate, or trust elects to have income taxed directly to the individual.

Additionally, the bill changes the name of the corporate tax credit to third-party developer tax credit because the tax credit is now available against the individual income tax.

This division takes effect upon enactment and applies retroactively January 1, 2020, for tax years beginning on or after that date.

GEOTHERMAL HEAT PUMP INSTALLATION TAX CREDIT. The bill requires an applicant for a geothermal heat pump tax credit to file an application for the credit with the department of revenue for each geothermal heat pump installation. The bill requires the application to be filed by May 1 following the year of installation.

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1 This division takes effect upon enactment and applies
2 retroactively to January 1, 2019, for tax years beginning on
3 or after that date.
4 TAXES ON ELECTRICITY PROVIDERS. Under the current
5 replacement tax, the proportional tax revenue from a major
6 addition is allocated to the local jurisdiction where a major
7 addition is located. The bill lowers the threshold for the
8 classification of "major additions" of solar energy conversion
9 property under the replacement tax from $10 million to $1
10 million. The modified threshold allows a local jurisdiction
11 to receive tax revenue generated by a solar energy conversion
12 facility for major additions that exceed $1 million but does
13 not change the amount of tax due on solar energy conversion
14 facilities.
15 FEE FOR NEW REGISTRATION — VEHICLES. The bill makes
16 numerous organizational, technical, and substantive changes to
17 Code section 321.105A.
18 The bill specifies that to be exempt from the fee for
19 new registration, the person listed on the title of a newly
20 acquired vehicle must be the same person listed on the title
21 and registration of the traded vehicle.
22 The bill specifies that in order to be exempt from the fee
23 for new registration, a trade must be between spouses rather
24 than involve spouses.
25 The bill exempts trades between lineal family members from
26 the fee for new vehicle registration. Currently, trades
27 between a grandparent, parent, child, or stepchild are exempt.
28 The bill specifies a sole proprietorship shall not be
29 distinguished from an individual owner for purposes of
30 calculating the new vehicle registration fee when exempting the
31 trade-in value from the purchase price.
32 The bill specifies that the fair market value of a
33 replacement motor vehicle owned by a motor vehicle dealer
34 is exempt from the new vehicle registration fee if certain
35 conditions are met under Code section 321.105A(2)(a)(3).

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1 The bill specifies that a vehicle is not subject to the new
2 registration fee if the vehicle is transferred from an entity
3 doing business within the state to another entity in the state
4 and all of the following apply: the receiving entity was
5 formed by the transferring entity within the previous 24 months
6 for the purpose of continuing the business and all ownership
7 remains the same, except in the case of a sole proprietorship,
8 the spouse of the sole proprietor may stand in place of the
9 sole proprietor.
10 The bill provides that a vehicle subject to registration in
11 this state is exempt from the fee for new vehicle registration
12 to the extent the equivalent sales or excise tax of another
13 country has been paid to that country. Currently, a vehicle
14 subject to registration is exempt from the fee for new vehicle
15 registration to the extent state sales, use, or occupational
16 tax has been paid to another state.
17 The bill provides that a vehicle subject to registration in
18 this state which is owned by a person in another country is
19 exempt from the fee for new vehicle registration provided the
20 vehicle was purchased for use in the country from which the
21 owner moved, and was not purchased for use in Iowa. Currently,
22 a vehicle subject to registration is exempt from the fee for
23 new vehicle registration if the vehicle is owned by a person
24 in another state provided the vehicle was purchased for use in
25 the state from which the owner moved, and was not purchased for
26 use in Iowa.
27 The bill specifies that a vehicle purchased by a licensed
28 wholesaler of new motor vehicles under Code section 322.27A for
29 resale by the same wholesaler is exempt from the fee for new
30 registration.
31 The bill provides that a vehicle transferred from one
32 individual to another individual as a gift is exempt from the
33 fee for new vehicle registration.
34 The bill provides that a vehicle subject to registration
35 is subject to the fee for new registration if the vehicle is

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leased for at least six months. Currently, a vehicle with a gross weight rating of less than 16,000 pounds which is leased for at least 12 months is subject to the fee for new registration.

The bill specifies if a lease is voided prior to the termination date contained in the lease agreement, no refund is permitted for the fee for new registration previously paid, except under certain circumstances. Currently, no refund of such a fee is permitted if the lease is terminated prior to the termination date except under certain circumstances.

The bill creates a new penalty for persons who fail to file an application for certificate of title or registration on or before the due date in the amount of 10 percent of the fee for new registration due.

The bill creates a new penalty for persons who file an application for certificate of title or registration with inaccurate information that results in the person paying less than the full amount of the fee for new registration. The penalty equals 5 percent of the fee for new registration due.

PENALTIES —— IMPUTED IOWA LIABILITY. Currently, in determining the amount of penalty to assess under Code section 421.27, the department of revenue assesses a percentage of the imputed Iowa liability of a business who fails to file a return or deposit form. The bill adjusts the formula to calculate "imputed Iowa liability" by allowing the taxpayer to include any tax credits available to the taxpayer prior to calculating the penalty amount when using "imputed Iowa liability".

PARTNERSHIP AND PASS-THROUGH ENTITY AUDITS AND REPORTING. The bill makes numerous technical changes to partnership and pass-through entity audits and reporting requirements enacted in 2020 Iowa Acts, chapter 1118.

The bill allows the director of revenue to establish rules for the calculation of amounts due for federal partnership adjustments that affect state tax owed that do not fit within the calculations provided by Code section 422.5A(5)(c).

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1 The bill also allows the director of revenue to establish
2 rules that include state-specific issues following a state
3 partnership audit in the election to pay and calculation of
4 amounts due.
5 Currently, if the department of revenue, the partnership
6 or pass-through entity, and the partnership or pass-through
7 entity owners agree, the provisions of Code section 422.25C
8 may be applied to tax years beginning before January 1, 2020.
9 The bill allows the department of revenue, the partnership or
10 pass-through entity, and owners representing a majority of the
11 ownership interests in the partnership or pass-through entity
12 to enter into an agreement to allow the provisions of Code
13 section 422.25C to apply to tax years beginning before January
14 1, 2020.
15 This division takes effect upon enactment and applies
16 retroactively to July 1, 2020, and applies to federal
17 adjustments and federal partnership adjustments that have a
18 final determination date after July 1, 2020.
19 COUNTY TREASURER —— CENTRALIZED COLLECTION UNIT OF THE
20 DEPARTMENT OF REVENUE. Currently, a county treasurer may
21 collect delinquent tax revenue owed the state. The bill allows
22 a county treasurer to also collect nontax liabilities being
23 collected by the centralized collection unit of the department
24 of revenue.
25 GARNISHMENT. The bill specifies that a distress warrant
26 issued by the director of revenue or the director of
27 inspections and appeals shall be considered a final judgment.
28 A distress warrant generally directs the sheriff to seize,
29 garnish, or levy upon, and sell, any real or personal property
30 belonging to the taxpayer to satisfy the amount of any
31 delinquency.
32 SNOWMOBILES, ALL-TERRAIN VEHICLES, AND VESSELS —— PURCHASES
33 —— PAYMENT OF SALES OR USE TAX. Currently, if the owner of
34 a vessel (watercraft), snowmobile, or all-terrain vehicle is
35 unable to present satisfactory evidence that the sales or use

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tax on the purchase has been paid, the county recorder is required to collect the sales or use tax, and remit the amount of taxes along with an itemized statement by the 10th day of each month showing detailed information about the collection of the tax. The bill strikes the requirement the county recorder prepare and send such an itemized statement to the department of revenue, but does require the county recorder to remit the tax in a manner prescribed by the department.

TANGIBLE PERSONAL PROPERTY. 2020 Iowa Acts, chapter 1118, struck numerous instances of the phrase "goods, wares, or merchandise" in order to update the language used in the Code. The bill changes additional instances of the phrase "goods, wares, or merchandise" to "tangible personal property" in Code sections 15.331A (sales and use tax refund), 15.331C (third-party developer tax credit as changed in the bill), and 321.105A (fee for new registration) and Code chapters 9C (transient merchants) and 423 (streamlined sales and use tax).

CONSTRUCTION MATERIALS — SALES AND USE TAX. The bill changes other instances of the phrase "goods, wares, or merchandise" to "building materials, supplies, or equipment" in Code sections 423.4(1) (refunds) and 423B.8(1) (construction contractor refunds).

NONPROFIT ORGANIZATIONS — SALES AND USE TAX EXEMPTION. Currently, a sales and use tax exemption is allowed on the sale of tangible personal property, specified digital products, or services rendered where the profits from the sale or services rendered are used by or donated to a nonprofit, and the entire proceeds from the sale or services are expended for educational, religious, or charitable purposes.

The bill enhances the readability of the sales and use tax exemption by specifying that the sales and use tax exemption applies when the entire profits from the sales or services rendered are used by or donated to a nonprofit, and the entire profits are expended for educational, religious, or charitable purposes.

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RENTALS — SALES AND USE TAX EXEMPTION. The bill includes the term "rental" in the definition of "sale" or "sales" in Code chapter 423 (streamlined sales and use tax), and strikes the term "rental" when it appears with the phrase "sale or rental" in Code sections 423.3 (exemptions) and 423.31(4) (filing of sales tax returns and payment of sales tax). The change has the effect of making more rental transactions exempt from the sales or use tax in Code section 423.3.

INTEREST RATE SET BY DIRECTOR OF REVENUE. Currently, in October of each year the director of revenue sets the rate of interest to be used on interest-bearing obligations arising under certain Code chapters to be in effect on or after January 1 of the following year. The bill changes the month the rate is set by the director from October to November.

ASSESSORS. The bill strikes a provision prohibiting an assessor or deputy assessor from personally assessing a property owned by an immediate family member of the assessor or deputy assessor. The bill specifies that an assessor appointed to a succeeding term should not assume the office until the appointment has been confirmed by the director of revenue.

The bill provides that upon employment of a special counsel, the assessor shall provide a report to the department of revenue relating to the hiring of the special counsel.

CONFIDENTIAL INFORMATION — DEPARTMENT OF REVENUE. Currently, the department of revenue redacts certain information from the record in an appeal or contested case pursuant to Code sections 422.20 (individual tax cases) and 422.72 (other tax cases). The bill adds a tax return to the list of confidential information to be redacted in an appeal or contested case under Code sections 422.20 and 422.72.

The director currently has the authority to disclose confidential information when making final orders, decisions, or opinions available for public inspection, if it is necessary to the resolution or decision of the appeal or case. The bill expands the authority of the director of revenue to disclose

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1 confidential information to include when it is relevant or
2 necessary to the resolution or decision of the appeal or case.
3 POWER OF ATTORNEY —— DEPARTMENT OF REVENUE. In addition
4 to the current types of individuals who are specified in
5 Code section 421.59(2) to act on behalf of a taxpayer with
6 the department of revenue, the bill adds procedures for a
7 representative of a government entity to act on behalf of the
8 government, and adds procedures for an executor or personal
9 representative of an estate to act on behalf of an estate.
10 SALES AND USE TAX REFUNDS. Currently, an eligible business
11 must notify the department of revenue within two weeks of the
12 completion of a project in order to receive a sales and use
13 tax refund related to the high quality jobs program. The
14 bill changes the notification requirement by the eligible
15 business to the department of revenue to after completion of
16 the project. The provision takes effect upon enactment and
17 applies to refund claims filed on or after the effective date
18 of this division of the bill.

Senate File 367 - Introduced

SENATE FILE 367
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1146)

A BILL FOR

1 An Act relating to certain financial obligations, including
2 under the consumer credit code, and including under the
3 criminal and juvenile justice system by modifying criminal
4 and civil surcharges, fines, fees, costs, and court debt,
5 providing civil penalties, and including effective date and
6 retroactive applicability provisions.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1174SV (3) 89
as/rh

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Section 1. Section 537.1301, subsection 12, Code 2021, is amended to read as follows:

12. *"Consumer credit transaction"* means a consumer credit sale or consumer loan, or a refinancing or consolidation thereof, or a consumer lease, or a consumer rental purchase agreement. *"Consumer credit transaction"* does not include goods, services, or any other benefits provided by or on behalf of the state or a state agency.

Sec. 2. Section 602.8105, subsection 2, paragraph h, Code 2021, is amended to read as follows:

h. For applicable convictions under section 692A.110 ~~prior to July 1, 2009, a civil penalty of two hundred ten dollars, and for applicable convictions under section 692A.110~~ on or after ~~July 1, 2009~~ June 25, 2020, a civil penalty of two hundred sixty dollars.

Sec. 3. Section 602.8107, subsection 1, paragraph a, Code 2021, is amended to read as follows:

a. *"Court debt"* means all restitution as defined in section 910.1, fees, ~~and~~ forfeited bail, and other debt paid to or collected by the clerk of the district court.

Sec. 4. Section 602.8107, subsection 3, Code 2021, is amended to read as follows:

3. *Collection by department of revenue.*

a. ~~(1)~~ Thirty days after court debt has been assessed and full payment has not been received, or if an installment payment is not received within thirty days after the date it is due, the judicial branch shall assign a case to the department of revenue, unless the case has been assigned to the county attorney under paragraph ~~*"c"*~~ *"d"*.

~~(2) The department of revenue may impose a fee established by rule to reflect the cost of processing which shall be added to the debt owed to the clerk of the district court.~~

b. (1) ~~In addition, court debt which is being collected under an installment agreement pursuant to section 321.210B which is in default that remains delinquent shall remain~~

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~~assigned to the department of revenue if the installment agreement was executed with the department of revenue; or to the county attorney or county attorney's designee if the installment agreement was executed with the county attorney or county attorney's designee~~ The department of revenue shall receive fifteen percent of all court debt payments collected on cases assigned to the department of revenue for collection to reflect the cost of processing, with the remainder of the court debt to be collected by the clerk of the district court for distribution in accordance with applicable law. The department of revenue shall not receive payment pursuant to this paragraph from any court debt collected that is payable to a crime victim as pecuniary damages until after the clerk of the district court has received the entirety of the court debt payable to the crime victim as pecuniary damages.

(2) Payments made by a person under subparagraph (1) between January 1, 2021, and the effective date of this Act which added the department of revenue processing fee to the debt owed to the clerk of the district court pursuant to section 602.8107, subsection 3, paragraph *"a"*, subparagraph (2), Code 2021, shall be calculated as if the payment had been made pursuant to subparagraph (1) and the department's fee in subparagraph (1) shall be applied to such a payment. The department of revenue processing fee added to the debt shall be deducted from the amount of court debt owed to the clerk of the district court. If a payment made by a person owing court debt between January 1, 2021, and the effective date of this Act reduces the total amount of court debt owed to zero, the department of revenue shall issue a refund to the person in the amount attributable to the processing fee added to the court debt. This subparagraph is repealed on January 1, 2023.

c. The centralized debt collection facilities of the department of revenue established pursuant to section 421.17, subsection 27, shall collect court debt assigned to the department of revenue pursuant to this section.

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~~c.~~ *d.* Thirty days after court debt has been assessed and full payment has not been received, or if an installment payment is not received within thirty days after the date it is due, and if a county attorney has filed with the clerk of the district court a notice of full commitment to collect delinquent court debt pursuant to subsection 4, the case shall be assigned to the county attorney as provided in subsection 4. The judicial branch shall assign cases with delinquent court debt to a county attorney in the same format and with the same frequency as cases with delinquent court debt are assigned to the department of revenue under paragraph *"a"*, and a county attorney shall not be required to file an individual notice of full commitment to collect delinquent court debt for each assigned case. If the county attorney or the county attorney's designee, while collecting delinquent court debt pursuant to subsection 4, determines that a person owes additional court debt for which a case has not been assigned by the judicial branch, the county attorney or the county attorney's designee shall notify the clerk of the district court of the appropriate case numbers and the judicial branch shall assign these cases to the county attorney for collection if the additional court debt is delinquent.

Sec. 5. Section 602.8107, subsection 4, paragraph a, Code 2021, is amended to read as follows:

a. This subsection does not apply to amounts collected for restitution involving pecuniary damages, the victim compensation fund, the crime services surcharge, ~~sex offender civil penalty~~ the human trafficking victim surcharge, the domestic and sexual abuse crimes surcharge, the agricultural theft surcharge, ~~or amounts collected as a result of procedures initiated under subsection 5~~ the sex offender civil penalty, or under section 8A.504.

Sec. 6. Section 602.8107, subsection 5, Code 2021, is amended by striking the subsection and inserting in lieu thereof the following:

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5. *Uncollectible debt.*

a. Court debt that has been assigned to the department of revenue for collection pursuant to subsection 3 may be charged off from active collection by the director of the department of revenue if either of the following conditions exist:

(1) The person owing the court debt is deceased and there are no assets in the person's estate or there are no assets available for the payment of court debt under section 633.425.

(2) The person owing the court debt cannot be located after diligent inquiry and the director of the department of revenue determines the department will not be able to locate the person.

b. Court debt for any of the following shall not be charged off until sixty-five years from the date of imposition:

(1) Victim restitution.

(2) Victim compensation.

(3) A criminal penalty surcharge.

(4) A sex offender civil penalty.

(5) A drug abuse resistance education surcharge.

(6) A law enforcement initiative surcharge.

(7) A county enforcement surcharge.

(8) Fees charged pursuant to section 356.7.

c. Debt that is charged off shall remain due and owing, but the judicial branch shall close the corresponding case file for the purposes of collection pursuant to this section.

Sec. 7. Section 692A.110, subsection 2, Code 2021, is amended to read as follows:

2. In addition to any other penalty, at the time of conviction for a public offense committed on or after July 1, 1995, which requires a sex offender to register under this chapter, the offender shall be assessed a civil penalty ~~of two hundred dollars, to be payable to the clerk of the district court as provided in section 602.8105 and distributed as provided in section 602.8108. With respect to a conviction for a public offense committed on or after July 1, 2009, which~~

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~~requires a sex offender to register under this chapter, the offender shall be assessed a civil penalty of two hundred fifty dollars,~~ payable to the clerk of the district court as provided in section 602.8105 and distributed as provided in section 602.8108.

Sec. 8. Section 910.3, subsection 8, Code 2021, is amended to read as follows:

8. The court shall enter a permanent restitution order setting out the amount of restitution including the amount of public service to be performed as restitution and the persons to whom restitution must be paid. A permanent restitution order entered at the time of sentencing is part of the final judgment of sentence as defined in section 814.6 and shall be considered in a properly perfected appeal. An appellate court shall not review or modify any issue related to a defendant's ability to pay unless the defendant has exhausted the defendant's remedies under section 910.7 and obtained a ruling from the district court prior to the issue being raised in the appellate court.

Sec. 9. Section 911.2B, Code 2021, is amended to read as follows:

911.2B Domestic ~~abuse assault, domestic abuse protective order contempt,~~ and sexual abuse~~, stalking, and human trafficking~~ crimes surcharge.

1. In addition to any other surcharge, the court shall assess a ~~domestic abuse assault, domestic abuse protective order contempt, sexual abuse, stalking, and human trafficking victim~~ domestic and sexual abuse crimes surcharge of ninety dollars if an adjudication of guilt or a deferred judgment has been entered for a violation of section 708.2A, 708.11, or 710A.2, or chapter 709, or if a defendant is held in contempt of court for violating a domestic abuse protective order issued pursuant to chapter 236.

2. In the event of multiple offenses, the surcharge shall be imposed for each applicable offense.

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1 3. The surcharge shall be remitted by the clerk of court as
2 provided in section 602.8108, subsection 6.
3 Sec. 10. RESCISSION OF ADMINISTRATIVE RULES. Contingent
4 on the passage of the section of this Act amending section
5 602.8107, subsection 3, paragraph "a", the following
6 administrative rule is rescinded:
7 Iowa administrative code rule 701—155.1(602).
8 Sec. 11. EFFECTIVE DATE. The following, being deemed of
9 immediate importance, take effect upon enactment:
10 1. The section of this Act amending section 602.8105,
11 section 2, paragraph "h".
12 2. The section of this Act amending section 602.8107,
13 subsection 3.
14 Sec. 12. RETROACTIVE APPLICABILITY. The following applies
15 retroactively to January 1, 2021, for collected delinquent
16 court debt:
17 The section of this Act amending section 602.8107,
18 subsection 3.
19 Sec. 13. RETROACTIVE APPLICABILITY. The following applies
20 retroactively to June 25, 2020:
21 The section of this Act amending section 602.8105,
22 subsection 2, paragraph "h".
23 EXPLANATION

24 **The inclusion of this explanation does not constitute agreement with**
25 **the explanation's substance by the members of the general assembly.**

26 This bill relates to certain financial obligations,
27 including under the consumer credit code, and including under
28 the criminal and juvenile justice system by modifying criminal
29 and civil surcharges, fines, fees, costs, and court debt.
30 The bill provides that a "consumer credit transaction" does
31 not include goods, services, or any other benefits provided by
32 or on behalf of the state or a state agency for purposes of the
33 consumer credit code under Code chapter 537.
34 The bill provides that the clerk of the district court
35 shall collect, for applicable convictions that occur under

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Code section 692A.110 (registration fees and civil penalty for sex offenders) on or after June 25, 2020, a civil penalty of $260. The bill makes a conforming Code change to Code section 692A.110(2).

The bill amends the definition of "court debt" to mean all restitution as defined in Code section 910.1, fees, forfeited bail, and other debt paid to or collected by the clerk of the district court. "Restitution" means pecuniary damages, category "A" restitution, and category "B" restitution.

The bill provides that the department of revenue shall receive 15 percent of all court debt payments collected on cases assigned to the department of revenue for collection to reflect the cost of processing, with the remainder of the court debt to be collected by the clerk of the district court for distribution in accordance with applicable law. The department of revenue shall not receive payment from any court debt collected that is payable to a crime victim as pecuniary damages until after the clerk of the district court has received the entirety of the court debt payable to the crime victim as pecuniary damages. Payments made by a person between January 1, 2021, and the effective date of the bill shall be calculated as if the payment had been made pursuant to Code section 602.8107(3)(a)(2), Code 2021, and the department's fee shall be applied to such a payment. The department of revenue fee added to the court debt shall be deducted from the amount of court debt owed to the clerk of the district court. If a payment made by a person owing court debt between January 1, 2021, and the effective date of the bill reduces the total amount of court debt owed to zero, the department of revenue shall issue a refund to the person in the amount attributable to the processing fee added to the court debt. Code section 602.8107(3)(b)(2) is repealed on January 1, 2023.

Current law allows the county attorney or the county attorney's designee to collect a percentage of court debt collected after the court debt is deemed delinquent, but not

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for amounts collected for restitution involving pecuniary damages, the victim compensation fund, the crime services surcharge, the sex offender civil penalty, the agricultural theft surcharge, or amounts collected as a result of written off or setoff debt. The bill amends debts for which the county attorney is not entitled to include in the amounts collected for the domestic and sexual abuse crimes surcharge.

The bill provides that court debt that has been assigned to the department of revenue for collection may be charged off from active collection by the director of the department of revenue if the person owing the court debt is deceased and there are no assets in the person's estate or there are no assets available for the payment of court debt under Code section 633.425 or the person owing the court debt cannot be found after diligent inquiry and the director of the department of revenue determines the department will not be able to locate the person owing the court debt.

Court debt for any of the following shall not be charged off until 65 years after the date of imposition: victim restitution, the victim compensation fund, a criminal penalty surcharge, a sex offender civil penalty, a drug abuse resistance education surcharge, a law enforcement initiative surcharge, a county enforcement surcharge, or fees charged pursuant to Code section 356.7. Charged off debts shall remain due and owing, but the judicial branch shall close the corresponding case file for the purposes of uncollectable debt pursuant to the bill.

The county attorney or the county attorney's designee may collect court debt after the court debt is deemed delinquent; however, the provision does not apply to amounts collected for restitution involving pecuniary damages, the victim compensation fund, the crime victim surcharge, the human trafficking victim surcharge, the domestic and sexual abuse crimes surcharge, the agricultural theft surcharge, the sex offender civil penalty, or under Code section 8A.504 (setoff

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procedures).

The bill provides that an appellate court shall not review or modify any issue related to the defendant's ability to pay a permanent restitution order entered at the time of sentencing unless the defendant has exhausted the defendant's remedies under Code section 910.7 and obtained a ruling from the district court prior to the issue being raised in the appellate court.

The bill changes the headnote for Code section 911.2B to domestic and sexual abuse crimes surcharge.

The bill provisionally rescinds the Iowa administrative code rule concerning a fee for the collection of court debt. The rule provides that a fee of 15 percent of the amount of each court debt is imposed on each court debt that has been assigned to the department of revenue for collection under Code section 602.8107(3). The bill provides that the department of revenue shall receive 15 percent of all court debt payments collected on cases assigned to the department of revenue for collection to reflect the cost of processing, which makes the rule unnecessary.

The bill provides that the sections of the bill amending Code sections 602.8105(2)(h) (relating to civil penalties for sex offenders) and 602.8107(3) (relating to the collection of court debt by the department of revenue) take effect upon enactment. The section of the bill amending Code section 602.8105(2)(h) applies retroactively to June 25, 2020, and the section of the bill amending Code section 602.8107(3) applies retroactively to January 1, 2021.

Senate File 368 - Introduced

SENATE FILE 368
BY ROZENBOOM

A BILL FOR

An Act relating to the redemption of and payment of refund value on beverage containers, making appropriations, providing penalties, and including effective date provisions.

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

TLSB 1982XS (8) 89
js/ns

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DIVISION I

FUTURE CHANGES TO CURRENT BEVERAGE CONTAINER CONTROL LAW

Section 1. Section 455C.1, subsections 1 and 6, Code 2021, are amended to read as follows:

1. *"Beverage"* means wine as defined in section 123.3, subsection 54, alcoholic liquor as defined in section 123.3, subsection 5, beer as defined in section 123.3, subsection 7, high alcoholic content beer as defined in section 123.3, subsection 22, canned cocktail as defined in section 123.3, subsection 11, mineral water, soda water, and similar carbonated soft drinks in liquid form and intended for human consumption.

6. *"Dealer agent"* means a person who solicits or picks up empty beverage containers from a participating dealer for the purpose of returning the empty beverage containers to a distributor or manufacturer.

Sec. 2. Section 455C.1, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. *"Participating dealer"* means a dealer who accepts the return of empty beverage containers from a consumer.

Sec. 3. Section 455C.2, Code 2021, is amended to read as follows:

455C.2 Refund values.

1. A refund value of ~~not less than~~ five cents shall be paid by the consumer on each beverage container sold in this state by a dealer for consumption off the premises. Upon return of the empty beverage container upon which a refund value has been paid to ~~the~~ a participating dealer or ~~person operating a~~ redemption center and acceptance of the empty beverage container by the participating dealer or ~~person operating a~~ redemption center, the participating dealer or ~~person operating a~~ redemption center shall return the amount of the refund value to the consumer.

2. In addition to the refund value provided in subsection 1

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~~of this section~~, a participating dealer, ~~or person operating~~ a redemption center, ~~who redeems empty beverage containers~~ or a dealer agent shall be reimbursed ~~by the distributor required to accept the empty beverage containers~~ pursuant to section 455C.11 an amount ~~which~~ that is one cent per container. ~~A dealer, dealer agent, or person operating a redemption center may compact empty metal beverage containers with the approval of the distributor required to accept the containers.~~

Sec. 4. Section 455C.3, subsections 1, 2, and 4, Code 2021, are amended to read as follows:

1. A participating dealer shall not refuse to accept from a consumer any empty beverage container of the kind, size and brand sold by the participating dealer, or refuse to pay to the consumer the refund value of a beverage container as provided under section 455C.2.

2. A distributor shall accept and pick up from a participating dealer served by the distributor or a redemption center for a dealer served by the distributor at least weekly, or when the distributor delivers the beverage product if deliveries are less frequent than weekly, any empty beverage container of the kind, size, and brand sold by the distributor, and shall pay to the participating dealer or ~~person operating a~~ redemption center the refund value of a beverage container and the reimbursement as provided under section 455C.2 within one week following pickup of the containers or when the participating dealer or redemption center normally pays the distributor for the deposit on beverage products purchased from the distributor if less frequent than weekly. A distributor or employee or agent of a distributor is not in violation of this subsection if a redemption center is closed when the distributor attempts to make a regular delivery or a regular pickup of empty beverage containers. This subsection does not apply to a distributor selling alcoholic liquor to the alcoholic beverages division of the department of commerce.

4. A distributor shall accept from a dealer agent any empty

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beverage container of the kind, size, and brand sold by the distributor and ~~which~~ that was picked up by the dealer agent from a participating dealer within the geographic territory served by the distributor and the distributor shall pay the dealer agent the refund value of the empty beverage container and the reimbursement as provided in section 455C.2.

Sec. 5. Section 455C.4, Code 2021, is amended to read as follows:

455C.4 Refusal to accept containers.

1. Except as provided in section 455C.5, subsection 3, a participating dealer~~, a person operating a~~ or redemption center~~, a distributor or a manufacturer~~ may refuse to accept any empty beverage container ~~which~~ that does not have stated on it a refund value as provided under section 455C.2.

2. A dealer may refuse to accept and to pay the refund value of any empty beverage container ~~if the place of business of the dealer and the kind and brand of empty beverage containers are included in an order of the department approving a redemption center under section 455C.6~~ if a redemption center is located within a twenty-mile radius of the dealer.

~~3. A dealer or a distributor may refuse to accept and to pay the refund value of an empty wine or alcoholic liquor container which is marked to indicate that it was sold by a state liquor store. The alcoholic beverages division shall not reimburse a dealer or a distributor the refund value on an empty wine or alcoholic liquor container which is marked to indicate that the container was sold by a state liquor store.~~

~~4.~~ 3. A class "E" liquor control licensee may refuse to accept and to pay the refund value on an empty alcoholic liquor container from a participating dealer or a redemption center or from a person acting on behalf of or who has received empty alcoholic liquor containers from a participating dealer or a redemption center.

~~5.~~ 4. A manufacturer or distributor may refuse to accept and to pay the refund value and reimbursement as provided in

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section 455C.2 on any empty beverage container that was picked up by a dealer agent from a participating dealer outside the geographic territory served by the manufacturer or distributor.

Sec. 6. Section 455C.5, subsection 1, Code 2021, is amended to read as follows:

1. Each beverage container sold or offered for sale in this state by a dealer shall clearly indicate the refund value of the container by embossing or by a stamp, label, or other method securely affixed to the container~~, the refund value of the container~~. The department shall specify, by rule, the minimum size of the refund value indication on the beverage containers.

Sec. 7. Section 455C.12, subsection 2, Code 2021, is amended to read as follows:

2. A distributor who collects or attempts to collect a refund value on an empty beverage container when the distributor has paid the refund value on the container to a participating dealer, redemption center, or consumer is guilty of a fraudulent practice.

Sec. 8. Section 455C.12, subsection 3, paragraphs a and b, Code 2021, are amended to read as follows:

a. Collects or attempts to collect the refund value on the container a second time, with the knowledge that the refund value has once been paid by the distributor to a participating dealer, redemption center, or consumer.

b. Manufactures, sells, possesses, or applies a false or counterfeit label or indication ~~which~~ that shows or purports to show a refund value for a beverage container, with intent to use the false or counterfeit label or indication.

Sec. 9. Section 455C.13, Code 2021, is amended to read as follows:

455C.13 ~~Distributors'~~ Collection and disposal agreements authorized.

1. A distributor, dealer, or redemption center may enter into a contract or agreement with any other distributor,

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manufacturer, or person for the purpose of collecting or ~~paying the refund value on, or~~ disposing of~~,~~ beverage containers as provided in this chapter.

2. For purposes of this chapter, any contracts entered into pursuant to this section for the collection or disposal of empty beverage containers shall not be deemed to interfere with the refund value pursuant to section 455C.2.

Sec. 10. Section 455C.14, subsection 1, Code 2021, is amended to read as follows:

1. If the refund value indication required under section 455C.5 on an empty nonrefillable metal beverage container is readable but the redemption of the container is lawfully refused by a participating dealer or ~~person operating~~ a redemption center under other sections of this chapter or rules adopted pursuant to these sections, the container shall be accepted and the refund value paid to a consumer as provided in this section. Each beer distributor selling nonrefillable metal beverage containers in this state shall provide individually or collectively by contract or agreement with a dealer, ~~person operating~~ a redemption center, or another person, at least one facility in the county seat of each county where refused empty nonrefillable metal beverage containers having a readable refund value indication as required by this chapter are accepted and redeemed. In cities having a population of twenty-five thousand or more, the number of the facilities provided shall be one for each twenty-five thousand population or a fractional part of that population.

Sec. 11. Section 455C.16, Code 2021, is amended to read as follows:

455C.16 Beverage containers — disposal at sanitary landfill prohibited.

~~Beginning July 1, 1990, the~~ The final disposal of beverage containers ~~by a dealer, distributor, or manufacturer, or person operating a redemption center, in a sanitary landfill, is prohibited. Beginning September 1, 1992~~, including the

final disposal of beverage containers that used to contain alcoholic liquor as defined in section 123.3, subsection 5, by a participating dealer, distributor, ~~or~~ manufacturer, or ~~person operating a~~ redemption center in a sanitary landfill~~,~~ is prohibited.

Sec. 12. EFFECTIVE DATE. This division of this Act takes effect July 1, 2022.

DIVISION II

REPEAL OF CURRENT BEVERAGE CONTAINER CONTROL LAW

Sec. 13. Section 123.24, subsection 2, paragraph d, Code 2021, is amended to read as follows:

d. A bottle surcharge in an amount sufficient~~, when added to the amount not refunded to class "E" liquor control licensees pursuant to section 455C.2,~~ to pay the costs incurred by the division for collecting and properly disposing of the liquor containers. The amount collected pursuant to this paragraph~~, in addition to any amounts not refunded to class "E" liquor control licensees pursuant to section 455C.2,~~ shall be deposited in the beer and liquor control fund established under section 123.17.

Sec. 14. Section 123.26, Code 2021, is amended to read as follows:

123.26 Restrictions on sales — seals — labeling.

Alcoholic liquor shall not be sold by a class "E" liquor control licensee except in a sealed container with identifying markers as prescribed by the administrator and affixed in the manner prescribed by the administrator, and no such container shall be opened upon the premises of a state warehouse. ~~The division shall cooperate with the department of natural resources so that only one identifying marker or mark is needed to satisfy the requirements of this section and section 455C.5, subsection 1.~~ Possession of alcoholic liquors ~~which~~ that do not carry the prescribed identifying markers is a violation of this chapter except as provided in section 123.22.

Sec. 15. Section 123.187, subsection 3, paragraph e, Code

2021, is amended by striking the paragraph.

Sec. 16. Section 423.6, subsection 3, paragraph a, Code 2021, is amended to read as follows:

a. Any tangible personal property including containers for which it is intended shall, by means of fabrication, compounding, manufacturing, or germination, become an integral part of other tangible personal property intended to be sold ultimately at retail~~, and containers used in the collection, recovery, or return of empty beverage containers subject to chapter 455C~~.

Sec. 17. Section 455A.4, subsection 1, paragraph b, Code 2021, is amended to read as follows:

b. Provide overall supervision, direction, and coordination of functions to be administered by the administrators under chapters 321G, 321I, 455B, ~~455C,~~ 456A, 456B, 457A, 458A, 459, 459A, 459B, 461A, 462A, 462B, 464A, 465C, 473, 481A, 481B, 483A, 484A, and 484B.

Sec. 18. Section 455A.6, subsection 6, paragraphs a, b, and d, Code 2021, are amended to read as follows:

a. Establish policy for the department and adopt rules, pursuant to chapter 17A, necessary to provide for the effective administration of chapter 455B~~, 455C,~~ or 459.

b. Hear appeals in contested cases pursuant to chapter 17A on matters relating to actions taken by the director under chapter ~~455C,~~ 458A, 464B, or 473.

d. Approve the budget request prepared by the director for the programs authorized by chapters 455B, ~~455C,~~ 455E, 455F, 455H, and 459, subchapters II and III. The commission shall approve the budget request prepared by the director for programs subject to the rulemaking authority of the commission. The commission may increase, decrease, or strike any item within the department budget request for the specified programs before granting approval.

Sec. 19. Section 455B.313, subsection 1, Code 2021, is amended to read as follows:

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1. A distributor ~~as defined in section 455C.1, subsection 9,~~ shall not sell or offer to sell any beverage container if the beverage container is connected to another beverage container by a device constructed of a material ~~which~~ that is not biodegradable or photodegradable.

Sec. 20. Section 455B.313, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 3. For purposes of this section, *"distributor"* means any person who engages in the sale of beverages in beverage containers to a dealer in this state, as those terms are defined in section 123B.1, including any manufacturer who engages in such sales.

Sec. 21. REPEAL. Chapter 455C, Code 2021, is repealed.

Sec. 22. EFFECTIVE DATE. This division of this Act takes effect January 1, 2023.

DIVISION III

NEW BEVERAGE CONTAINER CONTROL LAW

Sec. 23. NEW SECTION. **123B.1 Definitions.**

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

1. *"Beverage"* means wine as defined in section 123.3, subsection 54, alcoholic liquor as defined in section 123.3, subsection 5, beer as defined in section 123.3, subsection 7, high alcoholic content beer as defined in section 123.3, subsection 22, canned cocktail as defined in section 123.3, subsection 11, and mineral water, soda water, and similar carbonated soft drinks in liquid form and intended for human consumption.

2. *"Beverage container"* means any sealed glass, plastic, or metal bottle, can, jar, or carton containing a beverage.

3. *"Commission"* means the alcoholic beverages commission established in chapter 123.

4. *"Consumer"* means any person who purchases a beverage in a beverage container for use or consumption.

5. *"Dealer"* means any person who engages in the sale of

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beverages in beverage containers to a consumer.

6. *"Division"* means the alcoholic beverages division of the department of commerce established in chapter 123.

7. *"Redemption center"* means a facility at which consumers may return empty beverage containers and receive payment for the refund value of the empty beverage containers.

Sec. 24. NEW SECTION. **123B.2 Refund values — recycling — reimbursement.**

1. *a.* A refund value of five cents shall be paid by a consumer to a dealer on each beverage container sold in this state by the dealer for consumption off the premises.

b. On a monthly basis, a dealer shall submit to the department of revenue, in a form and manner determined by the department, receipts indicating the number of beverage containers sold by the dealer and the five-cent refund value collected for each beverage container sold by the dealer pursuant to paragraph *"a"*. The department of revenue shall credit monthly to the treasurer of state for deposit in the refund value fund established in section 123B.8 the refund value collected from dealers under this paragraph.

2. A consumer may redeem the refund value by returning a beverage container to a redemption center. Upon return of the empty beverage container, upon which a refund value has been paid, to a redemption center and acceptance of the empty beverage container by the redemption center, the redemption center shall pay the amount of the refund value to the consumer.

3. A redemption center shall dispose of beverage containers by transporting or causing the transport of the beverage containers to a recycling site.

4. On a monthly basis, a redemption center shall be reimbursed by the division from the refund value fund established in section 123B.8 the amount of refund value that the redemption center has paid to consumers and the handling fee. The division shall establish the handling fee by rule

in an amount that is one cent per beverage container, but the division may establish accuracy standards to account for discrepancies in the weight of recycled material and the number of beverage containers the redemption center claims to have been recycled.

Sec. 25. NEW SECTION. **123B.3 Refusal to accept containers.**

A redemption center may refuse to accept any empty beverage container that does not have stated on it a refund value as provided under section 123B.4.

Sec. 26. NEW SECTION. **123B.4 Refund value stated on container — exceptions.**

1. Each beverage container sold or offered for sale in this state by a dealer shall clearly indicate the refund value of the container by embossing or by a stamp, label, or other method securely affixed to the container. The division shall specify, by rule, the minimum size of the refund value indication on the beverage containers and require registration of the universal product code for each beverage container in a format required by the division.

2. A person, except a distributor, shall not import into this state a beverage container that does not have securely affixed to the container the refund value indication. This subsection does not apply under any of the following circumstances:

a. For beverage containers containing alcoholic liquor as defined in section 123.3, subsection 5, the total capacity of the containers is not more than one quart or, in the case of alcoholic liquor personally obtained outside the United States, one gallon.

b. For beverage containers containing beer as defined in section 123.3, subsection 7, the total capacity of the containers is not more than two hundred eighty-eight fluid ounces.

c. For all other beverage containers, the total capacity of the containers is not more than five hundred seventy-six fluid

ounces.

3. Subsections 1 and 2 do not apply to a refillable glass beverage container that has a brand name permanently marked on it and that has a refund value of not less than five cents, to any other refillable beverage container that has a refund value of not less than five cents and that is exempted by the director under rules adopted by the commission, or to a beverage container sold aboard a commercial airliner or passenger train for consumption on the premises.

Sec. 27. NEW SECTION. **123B.5 Redemption centers.**

To facilitate the return of empty beverage containers, any person may establish a redemption center at which consumers may return empty beverage containers and receive payment of the refund value of such beverage containers.

Sec. 28. NEW SECTION. **123B.6 Rules.**

The commission shall adopt, upon recommendation of the division, rules necessary to carry out the provisions of this chapter, subject to the provisions of chapter 17A.

Sec. 29. NEW SECTION. **123B.7 Penalties.**

1. Except as provided in subsection 2, any person violating the provisions of section 123B.2 or 123B.4, or a rule adopted under this chapter, shall be guilty of a simple misdemeanor.

2. Any person who does any of the following acts is guilty of a fraudulent practice under chapter 714:

a. Collects or attempts to collect the refund value on a beverage container a second time, with the knowledge that the refund value has once been paid by the redemption center to a consumer.

b. Manufactures, sells, possesses, or applies a false or counterfeit label or indication that shows or purports to show a refund value for a beverage container, with intent to use the false or counterfeit label or indication.

c. Collects or attempts to collect a refund value on a container with the use of a false or counterfeit label or indication showing a refund value, knowing the label or

1 indication to be false or counterfeit.
2 *d.* Intentionally submits to the division a request for
3 reimbursement of refund value that does not accurately reflect
4 the number of beverage containers collected and recycled by a
5 redemption center for the period that the redemption center
6 seeks reimbursement.
7 3. As used in this section, *"a false or counterfeit label*
8 *or indication"* means a label or indication purporting to show
9 a valid refund value that has not been initially applied as
10 authorized by a distributor.
11 4. Subsection 2, paragraph *"a"*, does not apply to empty
12 beverage containers that are intended to be refillable
13 and are in a standard of condition to be refillable by the
14 manufacturer, notwithstanding any standard for sanitization.
15 Sec. 30. NEW SECTION. **123B.8 Refund value payment program**
16 **— fund created.**
17 1. The division shall establish and administer a refund
18 value payment program. The purpose of the program shall be to
19 administer payments of refund value to redemption centers after
20 the redemption centers accept empty beverage containers from
21 consumers. The program shall be administered in accordance
22 with rules adopted by the commission pursuant to chapter 17A.
23 2. A refund value fund is established in the state
24 treasury under the control of the division. The fund shall
25 consist of moneys deposited in the fund pursuant to section
26 123B.2. Moneys in the fund are appropriated to the division
27 for purposes designated in subsection 4. Notwithstanding
28 section 8.33, moneys in the fund that remain unencumbered or
29 unobligated at the close of a fiscal year shall not revert
30 but shall remain available for expenditure for the purposes
31 designated. Notwithstanding section 12C.7, subsection 2,
32 interest or earnings on moneys in the fund shall be credited
33 to the fund.
34 3. A bottle bill cash reserve account is established within
35 the refund value fund. Moneys in the refund value fund on July

1 1, 2024, shall be deposited in the account. The division shall
2 use moneys in the account in the event that the other moneys in
3 the refund value fund are insufficient to issue reimbursement
4 and handling fees to redemption centers. At the end of each
5 fiscal year, the account shall be replenished to the original
6 amount deposited on July 1, 2024, from the other moneys in the
7 refund value fund if such other moneys are available.
8 4. Moneys in the fund shall be used by the division for all
9 of the following purposes:
10 *a.* Issuing reimbursement of refund value to a redemption
11 center after the redemption center accepts empty beverage
12 containers from and pays the refund value to a consumer.
13 *b.* Issuing the handling fee to a redemption center for each
14 beverage container that a redemption center accepts from a
15 consumer.
16 *c.* Covering administrative costs to administer the refund
17 value payment program in an amount determined by the commission
18 by rule.
19 *d.* Annually transferring an amount of moneys to the taxpayer
20 relief fund established in section 8.57E that is equal to the
21 amount of unclaimed deposits at the end of the fiscal year
22 minus the amount necessary to cover administrative costs, the
23 amount necessary to replenish the bottle bill cash reserve
24 account, and the amount in the bottle bill cash reserve
25 account.
26 *e.* Replenishing the bottle bill cash reserve account when
27 necessary.
28 Sec. 31. NEW SECTION. **455D.9B Disposal of beverage**
29 **containers at sanitary landfill prohibited.**
30 The final disposal of beverage containers, as defined in
31 section 123B.1, including the final disposal of beverage
32 containers that used to contain alcoholic liquor as defined in
33 section 123.3, subsection 5, by a redemption center, as defined
34 in section 123B.1, in a sanitary landfill is prohibited.
35 Sec. 32. EFFECTIVE DATE. This division of this Act takes

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1 effect January 1, 2023.
2 EXPLANATION
3 The inclusion of this explanation does not constitute agreement with
4 the explanation's substance by the members of the general assembly.
5 Under current law, a consumer may return an empty beverage
6 container upon which a 5-cent refund value has been paid to a
7 dealer or a redemption center. When a distributor collects
8 empty beverage containers from a dealer, dealer agent, or
9 redemption center, the distributor reimburses the dealer,
10 dealer agent, or redemption center the refund value plus a
11 1-cent handling fee for each empty beverage container. Current
12 law also allows any person to establish a redemption center
13 that serves a dealer if it is approved by the department of
14 natural resources. Any person may also establish an unapproved
15 redemption center.
16 DIVISION I. This bill provides that a dealer may choose
17 to not accept beverage containers if a redemption center is
18 located within a 20-mile radius of the dealer. The bill
19 makes numerous changes throughout Code chapter 455C to change
20 instances of "dealer" to "participating dealer", remove
21 obsolete language, and stylistically and grammatically update
22 the Code chapter.
23 This division of the bill takes effect July 1, 2022.
24 DIVISION II. The bill repeals the current beverage
25 container control law (Code chapter 455C) on January 1, 2023,
26 and makes corresponding changes.
27 DIVISION III. The bill creates a new Code chapter 123B
28 to place beverage container control provisions under the
29 authority of the alcoholic beverages division (ABD) within
30 the department of commerce. Under the new beverage container
31 control provisions, a dealer shall submit to the department
32 of revenue on a monthly basis receipts indicating the number
33 of beverage containers sold by the dealer and the 5-cent
34 refund value collected for each beverage container sold by
35 the dealer. The department of revenue shall credit monthly

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1 to the treasurer of state for deposit in the refund value
2 fund established in the bill the refund value collected
3 from dealers. A consumer may redeem the refund value by
4 returning an empty beverage container to a redemption center.
5 After payment of the refund value by a redemption center to
6 a consumer, the redemption center shall dispose of empty
7 beverage containers by transporting the beverage containers to
8 a recycling site. After a redemption center provides proof
9 of recycling, ABD shall reimburse the redemption center the
10 refund value paid to consumers and a handling fee provided by
11 rule. The reimbursement shall be paid from the refund value
12 fund established in the bill. This division of the bill does
13 not require a distributor to pick up beverage containers and
14 reimburse redemption centers.
15 The bill requires ABD to establish and administer a refund
16 value payment program for the purpose of administering payments
17 of refund value to redemption centers. The bill establishes
18 a refund value fund in the state treasury under the control
19 of the division. Moneys in the refund value fund may be used
20 for purposes of issuing refund value and the handling fee to a
21 redemption center, covering administrative costs to administer
22 the program, annually transferring moneys to the taxpayer
23 relief fund, and replenishing the bottle bill cash reserve
24 account established within the fund.
25 The bill requires ABD to require by rule registration of the
26 universal product code for each beverage container in a format
27 required by ABD. The bill requires the alcoholic beverages
28 commission, at the recommendation of ABD, to adopt rules to
29 carry out this division of the bill.
30 The bill provides penalty provisions primarily based on
31 simple misdemeanors and fraudulent practices in current Code
32 chapter 455C, but also creates the fraudulent practice of
33 intentionally submitting to ABD a request for reimbursement
34 of refund value that does not accurately reflect the number
35 of beverage containers collected and recycled by a redemption

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1 center for the period that the redemption center seeks
2 reimbursement.
3 This division of the bill takes effect January 1, 2023.

Senate File 369 - Introduced

SENATE FILE 369
BY EDLER

A BILL FOR

1 An Act relating to the established season for hunting game
2 birds on a preserve, and making penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2524XS (3) 89
js/rn

S.F. 369

Section 1. Section 484B.1, subsection 5, Code 2021, is amended to read as follows:

5. *"Game birds"* means pen-reared birds of the ~~family gallinae~~ order galliformes and pen-reared mallard ducks.

Sec. 2. Section 484B.10, subsection 1, Code 2021, is amended to read as follows:

1. *a.* A person shall not take a game bird or ungulate upon a hunting preserve, by shooting in any manner, except during the established season or as authorized by section 481A.56. The established season shall be September 1 through March 31 of the succeeding year, both dates inclusive. The owner of a hunting preserve shall establish the hunting season for nonnative, pen-reared ungulates on the hunting preserve.

b. A game bird hunting preserve operator may apply for a variance to extend the season date beyond March 31 for that preserve if the monthly precipitation is above average for the county in which the preserve is located for at least two months out of the months of January, February, and March of that season. The state climatologist established pursuant to section 159.5 shall provide official national weather service and community collaborative rain, hail and snow network data to the department to determine whether a variance to the established season shall be granted. The department shall not grant a variance to a game bird preserve that extends the season beyond April 15 of the year for which the variance is requested. A person hunting on a game bird hunting preserve on a date after March 31 pursuant to an extension granted under this paragraph shall only hunt for and take chukars, quail, or rooster pheasants.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to the established season for hunting game birds on a preserve.

Under current law, a person shall not take a game bird on a

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hunting preserve except during the established hunting preserve season, which begins on September 1 and ends on March 31. The bill allows a game bird hunting preserve operator to apply for a variance to extend the season beyond March 31 if the monthly precipitation is above average for the county in which the preserve is located for at least two months out of the months of January, February, and March of that season. The bill requires the state climatologist to provide official national weather service and community collaborative rain, hail and snow network data to the department of natural resources to determine whether a variance to the established season shall be granted. The bill prohibits the department from granting a variance that extends the season beyond April 15 of the year for which the variance is requested. A person hunting on a game bird hunting preserve on a date after March 31 pursuant to an extension granted pursuant to the bill shall only hunt for and take chukars, quail, or rooster pheasants.

The bill also makes a change to the definition of "game bird" to reflect a recent reorganization of bird classification.

A person who violates the bill is guilty of a simple misdemeanor. A simple misdemeanor is punishable by confinement for no more than 30 days and a fine of at least $105 but not more than $855.

Senate File 370 - Introduced

SENATE FILE 370
BY EDLER

A BILL FOR

1 An Act relating to address information to be supplied by an
2 applicant for an alcoholic liquor manufacturer's license.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2504XS (3) 89
je/rn

S.F. 370

Section 1. Section 123.41, subsection 1, Code 2021, is amended to read as follows:

1. *a.* Each completed application to obtain or renew a manufacturer's license shall be submitted to the division electronically, or in a manner prescribed by the administrator, and shall be accompanied by a fee of three hundred fifty dollars payable to the division. The administrator may in accordance with this chapter grant and issue to a manufacturer a manufacturer's license, valid for a one-year period after date of issuance, which shall allow the manufacture, storage, and wholesale disposition and sale of alcoholic liquors to the division and to customers outside of the state.

b. If the facility at which an applicant will barrel mature alcoholic liquors is a barge or other waterborne vessel that is moored or otherwise located in a lake or other body of water in this state, the division shall not require that the applicant's application include address information for the facility. In lieu of such information, the division may require the application to include the name of the lake or other body of water in which the facility is located or, if the lake or body of water is unnamed, unique geographic information sufficient to specify the identity and location of the facility.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill prohibits the alcoholic beverages division of the department of commerce from requiring, in an application for an alcoholic liquor manufacturer's license, that an applicant include address information for a manufacturing facility if the facility will be used to barrel mature alcoholic liquors and the facility is a barge or other waterborne vessel that is moored or otherwise located in a lake or other body of water in Iowa. In lieu of address information, the division may include identifying information about the lake or body of water as specified in the bill.

Senate File 371 - Introduced

SENATE FILE 371
BY ZAUN

A BILL FOR

An Act relating to school district compliance with education-related laws regarding the submission of reports, and with administrative rules adopted by the state board of education and the board of educational examiners.

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

TLSB 2538XS (3) 89
kh/jh

S.F. 371

Section 1. NEW SECTION. **279.54 Compliance with state laws and administrative rules.**

Notwithstanding any provision of state law pursuant to Title VII, subtitle 1 or 6, that require a school district to submit a report, or any provision of administrative rule adopted by the state board of education or the board of educational examiners to the contrary, school districts are not required to comply with a state law relating to the submission of reports, or to any administrative rule establishing a requirement not specified in state law, unless nonpublic schools are required to comply with the reporting requirement under state law or the administrative rule. This section shall not be construed to exempt a school district from complying with applicable federal law or regulation.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill provides that state laws regarding elementary and secondary education and school districts relating to the submission of reports, and administrative rules adopted by the state board of education and the board of educational examiners establishing a requirement not specified in such state law, shall only apply to school districts if the state law or the administrative rule also applies to nonpublic schools. The bill shall not be construed to exempt a school district from complying with applicable federal laws or regulations.

Senate File 372 - Introduced

SENATE FILE 372
BY DAWSON

A BILL FOR

1 An Act relating to sexual exploitation by an adult providing
2 training or instruction, and providing penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2472XS (2) 89
as/rh

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Section 1. Section 614.1, subsection 12, Code 2021, is amended to read as follows:

12. *Sexual abuse or sexual exploitation by a counselor, therapist, ~~or~~ school employee, or adult providing training or instruction.* An action for damages for injury suffered as a result of sexual abuse, as defined in section 709.1, by a counselor, therapist, ~~or~~ school employee, or adult providing training or instruction, as defined in section 709.15, or as a result of sexual exploitation by a counselor, therapist, ~~or~~ school employee, or adult providing training or instruction shall be brought within five years of the date the victim was last treated by the counselor or therapist, or within five years of the date the victim was last enrolled in or attended the school.

Sec. 2. Section 692A.102, subsection 1, paragraph b, subparagraph (11), Code 2021, is amended to read as follows:

(11) Sexual exploitation by a counselor, therapist, ~~or~~ school employee, or adult providing training or instruction in violation of section 709.15, if the victim is thirteen years of age or older.

Sec. 3. Section 692A.102, subsection 1, paragraph c, subparagraph (28), Code 2021, is amended to read as follows:

(28) Sexual exploitation by a counselor, therapist, ~~or~~ school employee, or adult providing training or instruction in violation of section 709.15, if the child is under thirteen years of age.

Sec. 4. Section 702.11, subsection 2, paragraph d, Code 2021, is amended to read as follows:

d. Sexual exploitation by a counselor, therapist, ~~or~~ school employee, or adult providing training or instruction in violation of section 709.15.

Sec. 5. Section 709.15, subsection 1, Code 2021, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0a. "Adult providing training or instruction"* means a person age eighteen or older, whether paid or unpaid,

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who is not a school employee, who provides training or instruction to a minor outside of a school setting. *"Adult providing training or instruction"* includes but is not limited to a person age eighteen or older providing training or instruction related to the use of firearms, athletics outside of a school setting, or any other activities which result in a minor receiving a certificate or license.

Sec. 6. Section 709.15, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. *a.* Sexual exploitation by an adult providing training or instruction occurs when any of the following are found:

(1) A pattern or practice or scheme of conduct to engage in any of the conduct described in subparagraph (2).

(2) Any sexual conduct with a minor for the purpose of arousing or satisfying the sexual desires of the adult providing training or instruction or the minor. Sexual conduct includes but is not limited to the following:

(a) Kissing.

(b) Touching of the clothed or unclothed inner thigh, breast, groin, buttock, anus, pubes, or genitals.

(c) A sex act as defined in section 702.17.

b. Sexual exploitation by an adult providing training or instruction does not include touching that is necessary in the performance of the adult's duties while providing training or instruction.

Sec. 7. Section 709.15, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 6. *a.* An adult providing training or instruction who commits sexual exploitation in violation of subsection 3A, paragraph *"a"*, subparagraph (1), commits a class "D" felony.

b. An adult providing training or instruction who commits sexual exploitation in violation of subsection 3A, paragraph *"a"*, subparagraph (2), commits an aggravated misdemeanor.

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Sec. 8. Section 802.2A, subsection 2, Code 2021, is amended to read as follows:

2. An indictment or information for sexual exploitation by a counselor, therapist, ~~or~~ school employee, or an adult providing training or instruction under section 709.15 committed on or with a person who is under the age of eighteen shall be found within fifteen years after the person upon whom the offense is committed attains eighteen years of age. An information or indictment for any other sexual exploitation shall be found within ten years of the date the victim was last treated by the counselor or therapist, or within ten years of the date the victim was enrolled in or attended the school.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill relates to sexual exploitation by an adult providing training or instruction and provides penalties.

The bill amends Code section 709.15 (sexual exploitation by a counselor, therapist, or school employee) to include an adult providing training or instruction. The bill defines "adult providing training or instruction" as a person age 18 or older, whether paid or unpaid, who is not a school employee, who provides training or instruction to a minor outside of a school setting. "Adult providing training or instruction" includes but is not limited to a person 18 or older providing training or instruction related to the use of firearms, athletics outside of a school setting, or activities which result in a minor receiving a certificate or license.

The bill provides that there are two alternative means of committing the offense of sexual exploitation by an adult providing training or instruction. Sexual exploitation by an adult providing training or instruction occurs when the person engages in a pattern or practice or scheme of conduct to engage in any sexual conduct with a minor for the purpose of arousing or satisfying the sexual desires of the adult

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1 providing training or instruction or the minor, or engages in
2 any sexual conduct with a minor for the purpose of arousing or
3 satisfying the sexual desires of the adult providing training
4 or instruction or the minor. "Sexual conduct" is defined
5 to include but is not limited to kissing; touching of the
6 clothed or unclothed inner thigh, breast, groin, buttock, anus,
7 pubes, or genitals; or a sex act as defined in Code section
8 702.17. The bill provides that sexual exploitation by an adult
9 providing training or instruction does not include touching
10 that is necessary in the performance of the adult's duties
11 while providing training or instruction.
12 The bill provides that an adult providing training or
13 instruction who engages in a pattern or practice or scheme of
14 conduct to engage in such sexual conduct with a minor commits a
15 class "D" felony. An adult providing training or instruction
16 commits an aggravated misdemeanor if the adult providing
17 training or instruction engages in such sexual conduct with a
18 minor. A class "D" felony is punishable by confinement for
19 no more than five years and a fine of at least $1,025 but not
20 more than $10,245. An aggravated misdemeanor is punishable by
21 confinement for no more than two years and a fine of at least
22 $855 but not more than $8,540.
23 A person who violates the bill is also subject to a special
24 sentence under Code section 903B.2. A special sentence is a
25 punishment in addition to the punishment for the underlying
26 criminal offense committing the person into the custody of the
27 director of the Iowa department of corrections for a period
28 of 10 years. A person serving a special sentence begins the
29 sentence as if on parole or work release but the sentence is
30 subject to a revocation of release for up to two years for a
31 first revocation and five years for any second or subsequent
32 revocation.
33 A person who violates the bill is classified as a tier II sex
34 offender under Code section 692A.102(1)(b)(11) if the child is
35 13 years of age or older, or a tier III sex offender under Code

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1 section 692A.102(1)(c)(28) if the child is under 13 years of
2 age, and is required to register as a sex offender under Code
3 section 692A.103.
4 A person who violates the bill is also subject to a
5 no-contact order upon release from jail or prison under Code
6 section 709.19 and hormonal intervention therapy under Code
7 section 903B.10(3)(h).
8 The bill makes conforming Code changes to Code sections
9 614.1 and 802.2A (statute of limitations periods) and 702.11
10 (definition of forcible felony).

Senate Study Bill 1193 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON EDLER)

A BILL FOR

1 An Act relating to a study regarding reimbursement for
2 administrative days.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2475XC (3) 89
pf/rh

S.F. _____

1 Section 1. MEDICAID REIMBURSEMENT FOR ADMINISTRATIVE DAYS
2 — STUDY. The department of human services shall conduct
3 a study to determine the feasibility of providing Medicaid
4 reimbursement to hospitals for administrative days. Following
5 its review, the department shall work with the Iowa hospital
6 association, the managed care organizations, and other relevant
7 stakeholders to develop and submit a report including findings,
8 options and criteria for reimbursement, and the estimated
9 costs associated with providing such reimbursement to the
10 governor and the general assembly by December 15, 2021. For
11 the purposes of this section, "administrative day" means an
12 inpatient stay day during which a Medicaid-eligible individual
13 no longer meets medical necessity criteria for acute hospital
14 care and is awaiting placement in a nursing facility or other
15 subacute or post-acute care.

16 EXPLANATION

17 **The inclusion of this explanation does not constitute agreement with**
18 **the explanation's substance by the members of the general assembly.**

19 This bill requires the department of human services (DHS)
20 to conduct a study to determine the feasibility of providing
21 Medicaid reimbursement to hospitals for administrative days.
22 Following its review, DHS shall work with relevant stakeholders
23 to develop and submit a report including findings, options and
24 criteria for reimbursement, and the estimated costs associated
25 with providing such reimbursement to the governor and the
26 general assembly by December 15, 2021. Under the bill, an
27 "administrative day" means an inpatient stay day during which a
28 Medicaid-eligible individual no longer meets medical necessity
29 criteria for acute hospital care and is awaiting placement in a
30 nursing facility or other subacute or post-acute care.

Senate Study Bill 1194 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON LABOR AND BUSINESS
RELATIONS BILL BY
CHAIRPERSON WHITING)

A BILL FOR

1 An Act providing for procedures to verify eligibility
2 for unemployment benefits and including effective date
3 provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 2358XC (1) 89
je/rn

S.F. _____

1 Section 1. Section 96.1A, Code 2021, is amended by adding
2 the following new subsections:
3 NEW SUBSECTION. 26A. *"Integrity data hub"* means a
4 centralized, electronic platform, including a successor
5 platform, maintained by the national association of state
6 workforce agencies, or a successor organization, to compare
7 and analyze benefit claims data across states for enhanced
8 detection and prevention of fraud and improper payments.
9 NEW SUBSECTION. 26B. *"National directory of new hires"*
10 means a database, including a successor database, established
11 by the federal office of child support enforcement pursuant
12 to the federal Personal Responsibility and Work Opportunity
13 Reconciliation Act of 1996, Pub. L. No. 104-193, for the
14 purposes of assisting state child support agencies in locating
15 parents and enforcing child support orders.
16 Sec. 2. NEW SECTION. **96.33 Verification of benefit**
17 **eligibility.**
18 1. The department shall participate in and utilize the
19 integrity data hub to verify the integrity of all claims for
20 benefits in this state.
21 2. On a weekly basis, the department shall check all
22 claims for benefits submitted in the previous week against
23 the most recent list of inmates provided by the department
24 of corrections pursuant to section 904.108 to verify the
25 eligibility for benefits of each claimant.
26 3. On a weekly basis, the department shall check all claims
27 for benefits against the national directory of new hires, as
28 well as any other source of information on newly hired or
29 rehired employees available to the department under state or
30 federal law, to verify the eligibility for benefits of each
31 claimant.
32 4. The department may enter into an agreement pursuant to
33 chapter 28E or execute a memorandum of understanding with other
34 state and federal agencies in order to acquire or gain access
35 to information required to be shared between agencies pursuant

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to this section.

5. If the department receives information concerning a claimant that indicates a change in the claimant's circumstances that may affect the claimant's eligibility for benefits, the department shall review the claimant's eligibility.

Sec. 3. Section 904.108, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 7. The director shall provide the department of workforce development access to a list of inmates confined in institutions under the department's jurisdiction on a weekly basis for purposes of compliance with section 96.33.

Sec. 4. EFFECTIVE DATE. This Act takes effect January 1, 2022.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill provides for procedures for the department of workforce development to verify eligibility for unemployment benefits.

The bill requires the department to participate in and utilize the integrity data hub, as defined in the bill, to verify the integrity of all claims for benefits in Iowa.

The bill requires the department to check, on a weekly basis, all claims for benefits submitted in the previous week against the most recent list of inmates provided by the department of corrections pursuant to the bill to verify the eligibility for benefits of each claimant.

The bill requires the department to check, on a weekly basis, all claims for benefits against the national directory of new hires, as defined in the bill, as well as any other source of information on newly hired or rehired employees available to the department under state or federal law, to verify the eligibility for benefits of each claimant.

The bill authorizes the department to enter into an

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agreement pursuant to Code chapter 28E or execute a memorandum of understanding with other state and federal agencies in order to acquire or gain access to information required to be shared between agencies pursuant to the bill.

If the department receives information concerning a claimant that indicates a change in the claimant's circumstances that may affect the claimant's eligibility for benefits, the bill requires the department to review the claimant's eligibility.

The bill takes effect January 1, 2022.