

**NINETIETH GENERAL ASSEMBLY
2024 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

April 4, 2024

Clip Sheet Summary

Displays all amendments, fiscal notes, and conference committee reports for previous day.

Bill	Amendment	Action	Sponsor
HF 2463	H-8274	Filed	SIEGRIST of Pottawattamie
HF 2679	H-8276	Filed	GJERDE of Linn
HF 2680	H-8277	Filed	KAUFMANN of Cedar
HF 2681	H-8271	Filed	BEST of Carroll
SF 2109	H-8275	Filed	SIEGRIST of Pottawattamie
SF 2196	H-8272	Filed	SORENSEN of Adair
SF 2391	H-8273	Adopted	HORA of Washington

Fiscal Notes

[SF 2109](#) — [Minor Driving Permits](#) (LSB5885SV.1)

[SF 2261](#) — [Ignition Interlock Devices](#) (LSB5491SV.1)

[SF 2335](#) — [Cannabidiol Dispensaries, Maximum Number of Licensees](#) (LSB5831SV.1)

[HF 2679](#) — [Law Firm Contract Attorneys, Tax Credit](#) (LSB5550HV)

[HF 2680](#) — [411 Retirement System](#) (LSB6363HV)

HOUSE FILE 2463

H-8274

1 Amend House File 2463 as follows:

2 1. By striking everything after the enacting clause and
3 inserting:

4 <Section 1. Section 232.52, subsection 2, paragraph a,
5 subparagraph (4), subparagraph division (b), Code 2024, is
6 amended to read as follows:

7 (b) The child may be issued a temporary restricted license
8 or ~~school~~ special minor's restricted license if the child is
9 otherwise eligible.

10 Sec. 2. Section 321.1, subsection 20A, Code 2024, is amended
11 to read as follows:

12 20A. "*Driver's license*" means any license or permit issued
13 to a person to operate a motor vehicle on the highways of
14 this state, including but not limited to a restricted work,
15 special minor's restricted, temporary restricted, or temporary
16 license and an instruction, chauffeur's instruction, commercial
17 learner's, or temporary permit. For purposes of license
18 suspension, revocation, bar, disqualification, cancellation, or
19 denial under this chapter and chapters 321A, 321C, and 321J,
20 "*driver's license*" includes any privilege to operate a motor
21 vehicle.

22 Sec. 3. Section 321.178, subsection 2, Code 2024, is amended
23 to read as follows:

24 2. *Restricted work license.*

25 a. (1) A person between sixteen and eighteen years of age
26 who has completed an approved driver education course and is
27 not in attendance at school and has not met the requirements
28 described in section 299.2, subsection 1, may be issued a
29 restricted work license only for travel to and from work or to
30 transport dependents to and from temporary care facilities,
31 if necessary for the person to maintain the person's present
32 employment. The restricted work license shall be issued by the
33 department only upon confirmation of the person's employment
34 and need for a restricted work license to travel to and from
35 work or to transport dependents to and from temporary care

1 facilities if necessary to maintain the person's employment.
2 The employer shall notify the department if the employment of
3 the person is terminated before the person attains the age of
4 eighteen.

5 (2) (a) A person issued a restricted work license
6 under this ~~section~~ subsection shall not use an electronic
7 communication device or an electronic entertainment device
8 while driving a motor vehicle unless the motor vehicle is at a
9 complete stop off the traveled portion of the roadway. This
10 subparagraph division does not apply to the use of electronic
11 equipment which is permanently installed in the motor vehicle
12 or to a portable device which is operated through permanently
13 installed equipment.

14 (b) The department, in cooperation with the department of
15 public safety, shall establish educational programs to foster
16 compliance with the requirements of subparagraph division (a).

17 *b.* The department may suspend a restricted ~~driver's~~ work
18 license issued under this ~~section~~ subsection upon receiving
19 satisfactory evidence that the licensee has violated the
20 restrictions imposed under paragraph "a", subparagraph (2),
21 subparagraph division (a). The department may also suspend a
22 restricted work license issued under this ~~section~~ subsection
23 upon receiving a record of the person's conviction for one
24 violation and shall revoke the license upon receiving a record
25 of conviction for two or more violations of a law of this state
26 or a city ordinance regulating the operation of motor vehicles
27 on highways, other than parking violations as ~~defined~~ described
28 in section 321.210. After revoking a restricted work license
29 under this ~~section~~ paragraph, the department shall not grant an
30 application for a new driver's license or instruction permit
31 until the expiration of one year or until the person attains
32 the age of eighteen, whichever is the longer period.

33 *c.* A person who violates the restrictions imposed under
34 paragraph "a", subparagraph (2), subparagraph division (a),
35 may be issued a citation under this section and shall not be

1 issued a citation under section 321.193. A violation of the
2 restrictions imposed under paragraph "a", subparagraph (2),
3 subparagraph division (a), shall not be considered a moving
4 violation.

5 Sec. 4. Section 321.180B, unnumbered paragraph 1, Code
6 2024, is amended to read as follows:

7 Persons under age eighteen shall not be issued a license or
8 permit to operate a motor vehicle except under the provisions
9 of this section. However, the department may issue restricted
10 work and special driver's minor's restricted licenses to
11 certain minors as provided in sections 321.178 and 321.194, and
12 driver's licenses restricted to motorized bicycles as provided
13 in section 321.189. A person shall not be issued a license or
14 permit to operate a motor vehicle if prohibited under section
15 321.194, subsection 7. A license or permit shall not be issued
16 under this section or section 321.178 or 321.194 without the
17 consent of a parent or guardian or a person having custody of
18 the applicant under chapter 232 or 600A. An additional consent
19 is required each time a license or permit is issued under this
20 section or section 321.178 or 321.194. The consent must be
21 signed by at least one parent, guardian, or custodian on an
22 affidavit form provided by the department.

23 Sec. 5. Section 321.191, subsection 6, Code 2024, is amended
24 to read as follows:

25 6. ~~Special minors'~~ Minors' restricted licenses.

26 Notwithstanding subsection 2, the fee for a ~~driver's~~ special
27 minor's restricted license issued to a minor under section
28 321.194 or a restricted work license issued to a minor under
29 section 321.178, subsection 2, is eight dollars.

30 Sec. 6. Section 321.194, Code 2024, is amended by striking
31 the section and inserting in lieu thereof the following:

32 **321.194 Special minor's restricted license.**

33 1. *Application — persons eligible.* The department may
34 issue a special minor's restricted license to an applicant
35 under the age of sixteen if the applicant meets all of the

1 following conditions:

2 *a.* The applicant holds an instruction permit issued by the
3 department in accordance with section 321.180B, or a comparable
4 permit issued by another state.

5 *b.* The applicant has successfully completed an approved
6 driver education course. However, the completion of a
7 course is not required if the applicant demonstrates to the
8 satisfaction of the department that completion of the course
9 would impose a hardship upon the applicant. The department
10 shall adopt rules defining the term "*hardship*" and establishing
11 procedures for the demonstration and determination of when
12 completion of the course would impose a hardship upon an
13 applicant.

14 *c.* The applicant submits a certification from the
15 applicant's school certifying the applicant is enrolled at
16 the school for courses of instruction or extracurricular
17 activities, or from the applicant's primary instructor if the
18 applicant receives competent private instruction or independent
19 private instruction.

20 2. *Consent — employment.* Prior to being authorized to
21 operate a motor vehicle unsupervised to a place of employment
22 or a location for farm-related work while employed to work on a
23 farm, the applicant's parent or guardian must submit written
24 consent for the applicant to operate a motor vehicle for such
25 purposes. The written consent must include the name and
26 address of the applicant's place of employment, or primary farm
27 location, as applicable. The parent or guardian of a licensee
28 must update the place of employment information if the place
29 of employment changes prior to the licensee being authorized
30 to operate a motor vehicle unsupervised to a new place of
31 employment.

32 3. *Persons ineligible.* The department shall not issue a
33 special minor's restricted license to an applicant if any of
34 the following occurred during the six-month period immediately
35 preceding the application:

1 *a.* The applicant's driving privileges have been suspended,
2 revoked, or barred under this chapter or chapter 321J.

3 *b.* The applicant was at fault for causing an accident or
4 collision.

5 *c.* The applicant has been convicted of a violation of a
6 law of this state or a city ordinance regulating the operation
7 of motor vehicles on highways other than parking violations as
8 described in section 321.210.

9 4. *License privileges.*

10 *a.* The department shall classify the special minor's
11 restricted license as a class C or class M license, as
12 applicable. A licensee is entitled to operate a motor vehicle
13 as provided in this section, other than a commercial motor
14 vehicle, a motor vehicle with more than two axles, a motor
15 vehicle towing another vehicle, or as a chauffeur.

16 *b.* A licensee may operate a motor vehicle unsupervised over
17 the most direct and accessible route between the licensee's
18 residence, school of enrollment, location where the licensee
19 receives competent private instruction or independent private
20 instruction, place of employment, location for farm work or
21 farm-related work if the licensee resides on a farm or is
22 employed for compensation on a farm in this state, and the
23 closest service station, for any of the following purposes, as
24 applicable, provided the driving distance between the point of
25 origin and the destination is no more than twenty-five miles,
26 and the licensee is in immediate possession of the license
27 card:

28 (1) To return to the licensee's residence following the
29 end of the licensee's duly scheduled courses of instruction,
30 extracurricular activities, work shift, farm work, or
31 farm-related work, as applicable.

32 (2) To attend duly scheduled courses of instruction.
33 However, a licensee who attends a public school and resides
34 within that public school district may operate a motor vehicle
35 between the licensee's residence and school regardless of the

1 distance.

2 (3) To participate in extracurricular activities. If
3 the licensee receives independent private instruction and
4 participates in an extracurricular activity at another school,
5 the licensee may drive to the location of the extracurricular
6 activity regardless of whether the licensee is enrolled at the
7 school.

8 (4) To complete a scheduled work shift, if approved by the
9 licensee's parent or guardian pursuant to subsection 2.

10 (5) For the purpose of assisting the licensee's parents,
11 guardians, or employer with farm work or in connection with any
12 farm job, employment, or other farm-related work, including
13 traveling to or from the location of the farm work, if the
14 licensee resides on a farm or is employed for compensation on
15 a farm in this state. If employed, the licensee's parent or
16 guardian must provide consent pursuant to subsection 2.

17 (6) For the purpose of refueling the motor vehicle being
18 operated.

19 5. *Restrictions.* Unless accompanied and supervised in
20 accordance with section 321.180B, subsection 1, a licensee
21 shall not do any of the following:

22 a. Operate the motor vehicle except during the hour
23 before and after the beginning and end of the licensee's duly
24 scheduled courses of instruction, extracurricular activities,
25 work shift, farm work, or farm-related work, as applicable.

26 b. Transport more than one unrelated minor passenger in the
27 motor vehicle when the licensee is operating the motor vehicle.
28 For purposes of this paragraph, "*unrelated minor passenger*"
29 means a passenger who is under eighteen years of age and who is
30 not a sibling of the driver, a stepsibling of the driver, or a
31 child who resides in the same household as the driver.

32 c. Operate the motor vehicle on a highway except as
33 authorized under subsection 4, paragraph "b".

34 d. Use an electronic communication device or an electronic
35 entertainment device while operating a motor vehicle unless the

1 motor vehicle is at a complete stop off the traveled portion
2 of the roadway. This paragraph does not apply to the use
3 of electronic equipment which is permanently installed in
4 the motor vehicle or to a portable device which is operated
5 through permanently installed equipment. The department,
6 in cooperation with the department of public safety, shall
7 establish educational programs to foster compliance with the
8 requirements of this paragraph.

9 *e.* Operate a motor vehicle to the licensee's place of
10 employment or location for farm work or farm-related work
11 unless the licensee's parent or guardian submitted written
12 consent to the department in accordance with subsection 2.

13 *6. Certification.* The department shall prescribe a
14 certification form. If the applicant is enrolled at a school
15 for courses of instruction or extracurricular activities, the
16 applicant's school shall certify that fact on the certification
17 form, which must also include a statement that the person
18 signing the certificate is not responsible for actions of the
19 applicant which pertain to the use of the special minor's
20 restricted license.

21 *a.* If the applicant attends a public school, the
22 certification must be made by the school board, superintendent
23 of the applicant's school, or principal, if authorized by the
24 superintendent.

25 *b.* If the applicant attends an accredited nonpublic
26 school, the certification must be made by the authorities in
27 charge of the accredited nonpublic school or a duly authorized
28 representative of the authorities.

29 *c.* If the applicant receives competent private instruction,
30 the certification must be made by the applicant's primary
31 instructor.

32 *7. License sanctions.*

33 *a.* A special minor's restricted license issued under this
34 section is subject to suspension, revocation, or other sanction
35 for the same reasons and in the same manner as suspension or

1 revocation of any other driver's license, and as provided in
2 this section. The department shall suspend a special minor's
3 restricted license for three months, as follows:

4 (1) Upon receiving satisfactory evidence that the licensee
5 violated the restrictions of the license or was at fault in an
6 accident or collision.

7 (2) Upon receiving a record of the licensee's conviction
8 for one violation of a law of this state or a city ordinance
9 regulating the operation of motor vehicles on highways other
10 than parking violations as described in section 321.210.

11 b. As a result of the suspension, the department shall
12 not issue an intermediate license under section 321.180B for
13 an additional three months to a person whose special minor's
14 restricted license was suspended under this subsection, per
15 violation, following the person's sixteenth birthday.

16 8. *Citations for violation of restrictions.* A person who
17 violates the restrictions imposed under subsection 5 may
18 be issued a citation under this section and shall not be
19 issued a citation under section 321.193. A violation of the
20 restrictions imposed under subsection 5 is a moving violation.

21 9. *Definitions.* As used in this section:

22 a. "*Competent private instruction*" means as defined in
23 section 299A.1.

24 b. "*Farm-related work*" means work at a property suitable for
25 farming that is owned, leased, or operated by the licensee's
26 parents, guardians, or employer.

27 c. "*Independent private instruction*" means as defined in
28 section 299A.1.

29 d. "*Place of employment*" means the fixed location of an
30 employer who employs a person under sixteen years of age in
31 accordance with chapter 92, and is the only location at which
32 the person is authorized to work for the employer unless the
33 person is employed for purposes of farm work or farm-related
34 work.

35 e. "*Residence*" means the place where a person resides,

1 permanently or temporarily. A person may have up to three
2 different residences for purposes of this section, if the
3 person's parent or guardian provides written consent of the
4 additional residences to the department.

5 *f.* "School" means a public school or an accredited nonpublic
6 school, and includes facilities operated by a public or
7 accredited nonpublic school for the purposes of educational or
8 extracurricular activities.

9 10. *Rules.* The department may adopt rules pursuant to
10 chapter 17A to administer this section.

11 Sec. 7. Section 321.213B, Code 2024, is amended to read as
12 follows:

13 **321.213B Suspension for failure to attend.**

14 The department shall establish procedures by rule for
15 suspending the license of a juvenile who has been issued a
16 driver's license and is not in compliance with the requirements
17 of section 299.1B ~~or~~ and issuing the juvenile a restricted work
18 license under section 321.178.

19 Sec. 8. Section 321.482A, unnumbered paragraph 1, Code
20 2024, is amended to read as follows:

21 Notwithstanding section 321.482, a person who is convicted
22 of operating a motor vehicle in violation of section 321.178,
23 subsection 2, paragraph "a", subparagraph (2), section
24 321.180B, subsection 6, section 321.194, subsection ~~2~~ 5,
25 paragraph ~~"b"~~ "d", ~~subparagraph (2)~~, section 321.256, 321.257,
26 section 321.275, subsection 4, section 321.276, 321.297,
27 321.298, 321.299, 321.302, 321.303, 321.304, 321.305, 321.306,
28 321.307, 321.311, 321.319, 321.320, 321.321, 321.322, 321.323,
29 321.324, 321.324A, 321.327, 321.329, 321.333, section 321.372,
30 subsection 3, or section 321.449B, causing serious injury to
31 or the death of another person may be subject to the following
32 penalties in addition to the penalty provided for a scheduled
33 violation in section 805.8A or any other penalty provided by
34 law:

35 Sec. 9. PREVIOUSLY ISSUED SPECIAL MINOR'S LICENSES. A

H-8274 (Continued)

1 person who holds a special minor's license that was issued
2 under section 321.194, Code 2024, before the effective date of
3 this Act may continue to operate a motor vehicle in accordance
4 with this Act on and after the effective date of this Act.
5 However, a person who was issued a special minor's license
6 under section 321.194, Code 2024, prior to the effective date
7 of this Act shall not operate a motor vehicle unaccompanied
8 to the person's place of employment until after the person's
9 parent or guardian provides written consent to the department
10 in accordance with section 321.194, subsection 2, as enacted
11 by this Act.>

By SIEGRIST of Pottawattamie

[H-8274](#) FILED APRIL 3, 2024

HOUSE FILE 2679

H-8276

- 1 Amend House File 2679 as follows:
- 2 1. Page 1, line 6, by striking <five> and inserting <ten>
- 3 2. Page 1, line 34, by striking <five> and inserting <ten>

By GJERDE of Linn

H-8276 FILED APRIL 3, 2024

HOUSE FILE 2680

H-8277

- 1 Amend House File 2680 as follows:
- 2 1. Page 2, after line 6 by inserting:
- 3 <Sec. ____ . Section 411.1, Code 2024, is amended by adding
- 4 the following new subsection:
- 5 NEW SUBSECTION. 8A. "Cost-sharing" means any coverage
- 6 limit, copayment, coinsurance, deductible, or other
- 7 out-of-pocket cost obligation related to an injury or disease
- 8 incurred while in the performance of duties.>
- 9 2. Page 6, line 24, by striking <sixty-four> and inserting
- 10 <fifty-five>
- 11 3. Page 7, line 13, before <medical> by inserting <physical
- 12 or mental>
- 13 4. Page 7, line 19, before <medical> by inserting <physical
- 14 or mental>
- 15 5. Page 7, line 32, before <medical> by inserting <physical
- 16 or mental>
- 17 6. Page 7, line 33, after <insurance,> by inserting
- 18 <including by processing claims concerning cancer, heart,
- 19 and lung or respiratory issues described in section 411.6,
- 20 subsection 5, paragraph "c", through their group health
- 21 insurance plan as long as the member is not responsible for any
- 22 cost-sharing;>
- 23 7. Page 7, line 33, by striking <obligation,> and inserting
- 24 <obligation_T;>
- 25 8. Page 8, by striking lines 1 through 4 and inserting
- 26 <with the requirements of this section. However, the cost
- 27 of the hospital, nursing, and physical or mental medical
- 28 attention required by this section shall not be funded through
- 29 an employee-paid health insurance policy, except as otherwise
- 30 specified in this subsection. Cancers, heart disease, and lung
- 31 or respiratory diseases described in section 411.6, subsection
- 32 5, paragraph "c", shall not be deemed work-related for purposes
- 33 of coverage through the employer's group health insurance
- 34 plan.>
- 35 9. Page 8, line 6, before <medical> by inserting <physical

H-8277 (Continued)

- 1 or mental>
2 10. Page 8, line 9, before <medical> by inserting <physical
3 or mental>
4 11. Page 8, line 10, before <medical> by inserting <physical
5 or mental>
6 12. Page 8, line 23, before <medical> by inserting <physical
7 or mental>
8 13. Page 8, line 31, before <medical> by inserting <physical
9 or mental>
10 14. Page 9, line 2, before <medical> by inserting <physical
11 or mental>
12 15. Page 9, line 31, after <amount> by inserting <provided
13 pursuant to section 97B.49B or 97B.49C, or chapter 97A, 410,
14 or 411>
15 16. Page 9, line 34, by striking <in the tax year> and
16 inserting <in the tax year>
17 17. By striking page 9, line 35, through page 10, line 2,
18 and inserting <result of the death of the decedent, regardless
19 of whether the decedent would have qualified for the exemption
20 in the tax year.>
21 18. By renumbering as necessary.

By KAUFMANN of Cedar

H-8277 FILED APRIL 3, 2024

HOUSE FILE 2681

H-8271

- 1 Amend House File 2681 as follows:
- 2 1. Page 1, before line 1 by inserting:
- 3 <DIVISION I
- 4 AUTOMATED TRAFFIC ENFORCEMENT SYSTEMS>
- 5 2. Page 7, after line 18 by inserting:
- 6 <DIVISION ____
- 7 EXISTING AUTOMATED TRAFFIC ENFORCEMENT SYSTEMS
- 8 Sec. ____ . EXISTING SYSTEMS. A local jurisdiction using
- 9 an automated traffic enforcement system on the primary road
- 10 system prior to April 1, 2024, may submit to the department
- 11 of transportation by July 1, 2024, a justification report, as
- 12 required by section 321P.4, as enacted by this Act, to the
- 13 extent practicable, as determined by the department. If the
- 14 department approves a local jurisdiction's use of automated
- 15 enforcement, the department shall approve such use by October
- 16 1, 2024, as provided in section 321P.2, as enacted by this Act.
- 17 A local jurisdiction may continue to use automated enforcement
- 18 in the same manner and at the same locations as the automated
- 19 enforcement was used on or before April 1, 2024, while waiting
- 20 for approval from the department. A local jurisdiction that
- 21 has not received approval from the department on or before
- 22 October 1, 2024, shall cease using automated enforcement on
- 23 the primary road system until the local jurisdiction receives
- 24 approval from the department pursuant to section 321P.2, as
- 25 enacted by this Act.
- 26 Sec. ____ . EFFECTIVE DATE. This division of this Act, being
- 27 deemed of immediate importance, takes effect upon enactment.>
- 28 3. Title page, line 2, by striking <system.> and inserting
- 29 <system, and including effective date provisions.>
- 30 4. By renumbering as necessary.

By BEST of Carroll

H-8271 FILED APRIL 3, 2024

SENATE FILE 2109

H-8275

1 Amend Senate File 2109, as amended, passed, and reprinted by
2 the Senate, as follows:

3 1. Page 3, by striking lines 10 through 12 and inserting <in
4 section 321.189. A license or permit shall not be issued>

5 2. Page 3, line 32, by striking <under the age of sixteen>
6 and inserting <between the ages of fourteen and eighteen years>

7 3. Page 4, line 1, by striking <state.> and inserting
8 <state, and has held such permit for a minimum of six months
9 prior to applying for the special minor's restricted license.>

10 4. Page 4, by striking lines 20 through 28 and inserting
11 <farm, the applicant's parent or guardian must complete a
12 written consent form prescribed by the department.>

13 5. Page 4, before line 29 by inserting:

14 <a. The written consent form must include, at minimum, the
15 name and address of the applicant's current place of employment
16 or primary farm location, as applicable.

17 b. If the place of employment or primary farm location
18 changes, the parent or guardian must complete a new written
19 consent form prior to the licensee being authorized to operate
20 a motor vehicle unsupervised to the new location.

21 c. While a licensee is operating a motor vehicle as
22 described in this subsection, the licensee shall carry a copy
23 of the written consent form in the vehicle and present the form
24 for inspection upon request by a certified peace officer.>

25 6. Page 7, lines 8 and 9, by striking <submitted written
26 consent to the department> and inserting <completed a written
27 consent form and the form is carried in the motor vehicle and
28 available for inspection>

29 7. Page 7, line 11, by striking <form.> and inserting <form
30 for purposes of meeting the requirement under subsection 1,
31 paragraph "c".>

32 8. By striking page 7, line 29, through page 8, line 12, and
33 inserting:

34 <7. *License sanctions.* A special minor's restricted license
35 issued under this section is subject to suspension, revocation,

1 or other sanction for the same reasons and in the same manner
2 as suspension or revocation of any other driver's license, and
3 as provided in this section. The department shall suspend
4 a special minor's restricted license for three months, as
5 follows:

6 a. Upon receiving satisfactory evidence that the licensee
7 violated the restrictions of the license or was at fault in an
8 accident or collision.

9 b. Upon receiving a record of the licensee's conviction
10 for one violation of a law of this state or a city ordinance
11 regulating the operation of motor vehicles on highways other
12 than parking violations as described in section 321.210.>

13 9. Page 8, lines 27 and 28, by striking <under sixteen years
14 of age in accordance with chapter 92,> and inserting <between
15 the ages of fourteen and eighteen in accordance with chapter
16 92, as applicable,>

17 10. Page 9, line 1, by striking <to the department.> and
18 inserting <on a form prescribed by the department. If a
19 licensee has two or three different residences, the licensee
20 shall carry a copy of the written consent form required under
21 this paragraph in the vehicle operated by a licensee pursuant
22 to this section, and the licensee shall present the form for
23 inspection upon request by a certified peace officer.>

24 11. Page 10, line 6, by striking <provides written consent
25 to the department> and inserting <completes the written consent
26 form>

By SIEGRIST of Pottawattamie

H-8275 FILED APRIL 3, 2024

SENATE FILE 2196

H-8272

1 Amend Senate File 2196, as passed by the Senate, as follows:

2 1. Page 1, after line 11 by inserting:

3 <Sec. ____ . NEW SECTION. 280.13D Seizure action plan and
4 training requirements.

5 1. For the purposes of this section, unless the context
6 otherwise requires:

7 *a. "Individual health plan"* means the confidential, written,
8 preplanned, and ongoing special health service developed for a
9 student who requires such service to be incorporated with the
10 student's educational program.

11 *b. "School nurse"* means a registered nurse holding current
12 licensure recognized by the board of nursing who practices in
13 the school setting to promote and protect the health of the
14 school population by using knowledge from the nursing, social,
15 and public health sciences.

16 *c. "School personnel"* means principals, guidance counselors,
17 teachers, and other relevant employees who have direct contact
18 with and supervise children, including school bus drivers and
19 paraeducators.

20 *d. "Seizure action plan"* means a written set of instructions
21 designed to direct caregivers and staff to intervene in the
22 event of a seizure occurrence and is considered a plan for
23 emergencies as a part of an individual health plan.

24 2. *a.* Starting with the school year beginning July 1,
25 2024, the board of directors of each school district and the
26 authorities in charge of each accredited nonpublic school shall
27 have at least one school employee at each school who has met
28 the training requirements necessary to administer or assist
29 with the self-administration of all of the following:

30 (1) A medication approved by the United States food and
31 drug administration to treat seizure disorder symptoms or
32 a medication approved by the United States food and drug
33 administration as a seizure rescue medication.

34 (2) A manual dose of prescribed electrical stimulation
35 using a vagus nerve stimulator magnet approved by the United

1 States food and drug administration.

2 *b.* The presence of a school nurse employed full-time by
3 a school district or accredited nonpublic school who assumes
4 responsibility for the administration of seizure medications
5 and the administration oversight of vagus nerve stimulation
6 shall fulfill the requirements of paragraph "a". This section
7 shall not be construed to require school personnel, other than
8 a school nurse, to administer a suppository to a student.

9 3. *a.* On or before December 31, 2025, each public school
10 and each accredited nonpublic school shall provide training to
11 all school personnel on how to recognize the signs and symptoms
12 of seizures and the appropriate steps for seizure first aid.

13 *b.* Each public school and each accredited nonpublic school
14 shall require school personnel responsible for the supervision
15 or care of students to undergo seizure recognition and first
16 aid training on a biennial basis.

17 4. Any training programs or guidelines adopted by a state
18 agency for the training of school personnel in the health care
19 needs of students diagnosed with a seizure disorder shall be
20 consistent with training programs and guidelines developed
21 by the epilepsy foundation of America or any successor
22 organization.

23 5. This section shall not be construed to limit the
24 authority of a school district, an accredited nonpublic school,
25 or the department of education to require additional seizure
26 disorder training.

27 6. *a.* Prior to school personnel administering medication
28 prescribed to treat a student's seizure disorder symptoms, a
29 school or accredited nonpublic school shall obtain a signed and
30 dated authorization from the student's parent or guardian that
31 authorizes a person who meets the requirements of subsection 2
32 to administer medication in accordance with the school's policy
33 and procedures.

34 *b.* Authorizations required pursuant to paragraph "a" shall
35 be effective for the school year in which the authorization is

1 granted and must be renewed each school year.

2 7. Upon the request of a student's parent or guardian,
3 a school district or accredited nonpublic school shall
4 collaborate with the parent or guardian and relevant licensed
5 health care professionals, including the school nurse or
6 education team, in the development of an individual health
7 plan, and a seizure action plan if appropriate, consistent
8 with rules adopted by the state board of education. The
9 individual health plan or seizure action plan shall be based
10 on the student's needs and may include but is not limited
11 to assessment, nursing diagnosis, outcomes, planning,
12 interventions, student goals, and a plan for emergencies to
13 provide direction in managing the student's health needs. The
14 plan shall be updated consistent with timelines for individual
15 health plans and with rules adopted by the state board of
16 education.

17 8. *a.* Each school district and each accredited nonpublic
18 school shall maintain all authorizations pursuant to subsection
19 6, individual health plans, and seizure action plans for
20 enrolled students on file in the office of the school nurse or
21 school administrator.

22 *b.* Each school district and each accredited nonpublic
23 school shall distribute information regarding a student's
24 seizure action plan to any school personnel responsible for the
25 supervision or care of the student.

26 9. The requirements of subsections 6, 7, and 8 shall only
27 apply to a school district or accredited nonpublic school that
28 has either of the following:

29 *a.* An enrolled student with a known diagnosis of epilepsy or
30 seizure disorder.

31 *b.* An enrolled student who is known to currently be taking
32 medication prescribed by a health care provider as that term
33 is defined in section 135.61, and approved by the United
34 States food and drug administration to treat seizure disorder
35 symptoms.

1 10. The state board of education shall adopt rules to
2 establish a seizure education program for the purpose of
3 providing school districts and accredited nonpublic schools an
4 age-appropriate program on seizures and seizure disorders. The
5 seizure education program shall be consistent with guidelines
6 published by the epilepsy foundation of America or any
7 successor organization, and participation in the program shall
8 be optional.

9 11. A school district or accredited nonpublic school, an
10 employee of a school district or accredited nonpublic school,
11 or an agent of a school district or accredited nonpublic
12 school acting in good faith and in compliance with a student's
13 individual health plan and seizure action plan shall not be
14 liable for any claim for injuries or damages arising from
15 actions taken to assist a student with the student's needs
16 related to epilepsy or a seizure disorder.>

17 2. Title page, line 1, after <relating to> by inserting
18 <school and student health care-related activities including>

19 3. Title page, line 2, by striking <exemptions> and
20 inserting <exemptions, and school personnel training, emergency
21 care planning, authorizations for assisting, and limitations
22 of liability concerning students with epilepsy or a seizure
23 disorder>

By SORENSEN of Adair

SENATE FILE 2391

H-8273

1 Amend Senate File 2391, as amended, passed, and reprinted by
2 the Senate, as follows:

3 1. Page 1, before line 1 by inserting:

4 <DIVISION I

5 MEAT PRODUCTS — MISCELLANEOUS>

6 2. Page 6, line 11, after <chapters> by inserting <137A,>

7 3. Page 6, line 20, after <chapters> by inserting <137A,>

8 4. Page 7, after line 35 by inserting:

9 <DIVISION ____

10 EGG PRODUCTS

11 PART A

12 MISBRANDING OF EGG PRODUCTS

13 Sec. ____ . NEW SECTION. 137A.1 **Definitions.**

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

16 1. "*Department*" means the department of inspections,
17 appeals, and licensing.

18 2. *a.* "*Egg*" means a food product that is the reproductive
19 output of an agricultural food animal classified as a chicken.

20 *b.* "*Egg*" includes albumen and yolk encased in a
21 calcium-based shell.

22 3. "*Egg processing*" means the processing of eggs that may
23 include any of the following:

24 *a.* The handling, preparation, and packaging of whole shelled
25 or unshelled eggs.

26 *b.* The handling, preparation, heating, and packaging of
27 whole shelled or unshelled eggs.

28 *c.* The breaking of eggs and the separation of eggs;
29 pasteurization; filtering, mixing, stabilizing, or blending
30 parts of the egg; any cooling, freezing, or drying of parts of
31 the egg; storage; and packaging.

32 4. "*Egg product*" means a food product derived from
33 egg processing in which eggs or egg parts are the primary
34 ingredient.

35 5. "*Fabricated-egg product*" means a food product, if it has

1 one or more sensory attributes that resemble an egg product
2 but that, in lieu of being the output of a chicken commonly
3 referred to as a laying hen, is derived from manufactured
4 plants or other organic materials.

5 6. a. *"Identifying egg term"* means any word or phrase
6 that states, indicates, suggests, or describes an egg product,
7 regardless of whether the word or phrase is used individually,
8 as a portmanteau, or as a compound word.

9 b. *"Identifying egg term"* includes but is not limited to any
10 of the following:

11 (1) (a) A common name for a type of a chicken, including
12 laying hen, hen, or layer, cage-free, poultry, or fowl.

13 (b) A common name for a characteristic of a chicken based
14 on age, breed, or sex.

15 (2) Any part of the egg, including its egg, eggshell, egg
16 white, or yolk.

17 (3) (a) A common name that a reasonable purchaser would
18 immediately and exclusively associate with an egg product
19 prepared for sale in normal commercial channels such as
20 custard, eggnog, frittata, huevos rancheros, omelette,
21 mayonnaise, meringue, sunny side up, over easy, over hard,
22 scrambled, or quiche.

23 (b) A comparable word or phrase as approved by the
24 department.

25 7. *"Label"* means a display of written, printed, or graphic
26 matter placed upon any container storing a food product that
27 is offered for sale or sold on a wholesale or retail basis,
28 regardless of whether the label is printed on the container's
29 packaging or a sticker affixed to the container.

30 8. a. *"Qualifying term"* means a word, compound word, or
31 phrase that would clearly disclose to a reasonable purchaser of
32 egg products from a food processing plant that a food product
33 is not an egg product.

34 b. *"Qualifying term"* includes but is not limited to fake,
35 imitation, egg-free, plant, plant-based, vegan, vegetable,

1 vegetarian, veggie, or a comparable word or phrase as approved
2 by the department.

3 9. "*Regulatory authority*" means the same as defined in
4 section 137F.1.

5 Sec. _____. NEW SECTION. 137A.2 **Administration.**

6 1. In conducting a routine inspection of the premises of a
7 food processing plant licensed under chapter 137F, a regulatory
8 authority is not required to determine if any food product
9 located on the premises is misbranded as an egg product as
10 provided in section 137A.3.

11 2. A regulatory authority shall inspect an inventory of
12 food products offered for sale or sold at a food processing
13 plant based on a credible complaint that the food products are
14 misbranded as egg products as provided in section 137A.3.

15 3. A regulatory authority shall have the same powers to
16 inspect a food processing plant under this chapter as it does
17 under chapter 137F.

18 4. The department shall adopt rules pursuant to chapter 17A
19 that are necessary or desirable to administer and enforce this
20 chapter.

21 Sec. _____. NEW SECTION. 137A.3 **Misbranded food product.**

22 A food product is misbranded as an egg product if all of the
23 following apply:

24 1. The food product is a fabricated-egg product or the food
25 product contains a fabricated-egg product.

26 2. The food product is offered for sale or sold by a food
27 processing plant.

28 3. *a.* A label that is part of or placed on the package
29 or other container storing the food product includes an
30 identifying egg term.

31 *b.* Paragraph "*a*" does not apply if the label contains a
32 conspicuous and prominent qualifying term in close proximity to
33 an identifying egg term.

34 Sec. _____. NEW SECTION. 137A.4 **Prohibition — sale.**

35 A food processing plant shall not offer for sale or sell a

1 food product that is misbranded as an egg product as provided
2 in section 137A.3.

3 Sec. _____. NEW SECTION. 137A.5 Enforcement — stop order.

4 1. If a regulatory authority has reasonable cause to believe
5 that a food processing plant is offering for sale or selling a
6 food product that is misbranded as an egg product in violation
7 of section 137A.4, the regulatory authority may issue a stop
8 order. Upon being issued the stop order, the food processing
9 plant shall not offer for sale or sell the food product until
10 the regulatory authority determines that the food product is or
11 is not misbranded as an egg product.

12 2. The regulatory authority may require that the food
13 product be held by the food processing plant and be secured
14 from purchase.

15 3. If a regulatory authority determines that the food
16 product being offered for sale or sold by a food processing
17 plant is misbranded as an egg product, the regulatory authority
18 may issue an embargo order requiring the food processing plant
19 to dispose of the misbranded egg product other than by sale to
20 purchasers in this state.

21 4. The department, the attorney general, or the county
22 attorney in the county where the food product is being offered
23 for sale or sold may enforce the stop order or embargo order by
24 petitioning the district court of that county.

25 Sec. _____. NEW SECTION. 137A.6 Violation — misbranding —
26 civil penalty.

27 1. A food processing plant shall not misbrand a food product
28 as an egg product as provided in section 137A.3 as determined
29 by the department.

30 2. A food processing plant violating subsection 1 is subject
31 to a civil penalty of not more than five hundred dollars, not
32 to exceed ten thousand dollars total for violations arising
33 out of the same transaction or occurrence. Each day that a
34 violation continues constitutes a separate offense.

35 3. The department shall impose the civil penalty provided

1 in subsection 2. A food processing plant may contest the
2 imposition of the civil penalty by initiating a contested case
3 proceeding pursuant to chapter 17A.

4 4. Civil penalties collected under this section shall be
5 deposited in the general fund of the state.

6 Sec. _____. NEW SECTION. 137F.4A **Egg products.**

7 1. A regulatory authority shall not suspend or revoke a
8 license issued to a food processing plant under this chapter
9 for offering for sale or selling a food product that is
10 misbranded as an egg product in violation of section 137A.4.

11 2. A license issued to a food processing plant under section
12 137F.4 also covers the operation of a food processing plant
13 under chapter 137A.

14 PART B

15 FEDERAL PROGRAM PURCHASING RESTRICTIONS

16 Sec. _____. NEW SECTION. 135.16D **Federal nutrition programs**
17 **— fabricated-egg products.**

18 1. As used in this section, unless the context otherwise
19 requires:

20 a. *"Fabricated-egg product"* means the same as defined in
21 section 137A.1.

22 b. *"Federal nutrition program"* or *"program"* means any of the
23 following:

24 (1) The special supplemental nutrition program for women,
25 infants, and children as provided in 42 U.S.C. §1786 et seq.

26 (2) The supplemental nutrition assistance program as
27 provided in 7 U.S.C. ch. 51.

28 2. If the United States department of agriculture approves
29 fabricated-egg products for purchase under a federal nutrition
30 program, the department of health and human services shall
31 submit a request to the United States department of agriculture
32 for a waiver or other exception that excludes fabricated-egg
33 products from program eligibility in this state.

34 PART C

35 STATE PURCHASING RESTRICTIONS

H-8273 (Continued)

1 Sec. ____ . NEW SECTION. **260C.10A Purchases — egg products.**

2 The board of directors providing services to a merged area,
3 and the board of directors of a community college, shall
4 establish policies to prevent the purchase of a food product
5 that is misbranded as an egg product as prohibited in chapter
6 137A.

7 Sec. ____ . NEW SECTION. **262.25E Purchases — egg products.**

8 The state board of regents, and institutions under the
9 control of the board, shall establish policies to prevent the
10 purchase of a food product that is misbranded as an egg product
11 as prohibited in chapter 137A.

12 Sec. ____ . NEW SECTION. **283A.13 Purchases — egg products.**

13 The department of education, and school boards, shall
14 establish policies to prevent the purchase of a food product
15 that is misbranded as an egg product as prohibited in chapter
16 137A.>

17 5. By renumbering as necessary.

By HORA of Washington

H-8273 FILED APRIL 3, 2024

ADOPTED



[SF 2109](#) – Minor Driving Permits (LSB5885SV.1)
Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov
Fiscal Note Version – As amended and passed by the Senate

Description

[Senate File 2109](#) replaces the current special minor's license with a new special minor's restricted license. The special minor's restricted license entitles a person under the age of 16 (licensee) to drive up to 25 miles from the licensee's residence to the licensee's school, place of competent private instruction, extracurricular activities, or work shift in the hour before or after the licensee's scheduled work shift, school day, or extracurricular activity. A licensee may drive more than 25 miles if the licensee attends a public school and resides within the public school district. Under the Bill, an applicant for a special minor's restricted license must hold an instruction permit or a comparable permit issued by another state.

A licensee's parent or guardian must provide the [Department of Transportation](#) (DOT) with written consent for the licensee to drive to work. Eligible work activities include farm work and work activities under Iowa Code chapter [92](#). The Bill prohibits a licensee to drive as a part of the licensee's employment if the employment is nonfarm.

The Bill decreases the distance a licensee may travel with a farm-work authorization from 50 miles to 25 miles and retains other existing privileges.

The Bill removes the current requirement for schools to certify that a special need exists for the DOT to issue a special minor's license. Instead, the Bill requires an applicant's school to certify that the applicant is enrolled as a student or, if the applicant receives private instruction, the certification must be made by the applicant's primary instructor. The Bill authorizes a licensee to drive to school regardless of whether the school is public or accredited nonpublic.

The Bill contains various provisions for a licensee who violates the license restrictions or is convicted of violating a traffic law. The Bill establishes that a violation of a license restriction becomes a moving violation.

The Bill does not require a person who holds a special minor's license that was issued before the effective date of the Bill to apply for a new license. However, a person who was issued a special minor's license prior to the effective date of the Bill is prohibited from driving unaccompanied to the person's place of employment until after the person's parent or guardian provides written consent to the DOT in accordance with the Bill.

Background

Under current law, the DOT is authorized to issue special permits and licenses to persons under the age of 18, including a special minor's license, which authorizes unsupervised driving and can be issued to a person 14 and a half years of age. A special minor's license entitles a person between the ages of 14 and a half to 18 (student driver) to operate a motor vehicle without adult supervision up to 50 miles from the student driver's residence to the student driver's school or school bus stop or public transportation service. The student driver can operate a vehicle without supervision for more than 50 miles if the student driver drives to a

school within the school district of enrollment or within a school district contiguous to the school district of enrollment. Current law also distinguishes between a public school and accredited nonpublic school in regard to where a student driver is authorized to drive unsupervised, requires schools to certify that a special need exists for the DOT to issue a special minor’s license, and authorizes a student driver to drive to approved locations between the hours of 5:00 a.m. and 10:00 p.m.

Under current law, a student driver who resides on a farm or is employed for compensation on a farm may drive up to 50 miles for the purpose of assisting the person’s parents, guardians, or employers with farm work or in connection with any farm job, employment, or other farm-related work, including traveling to or from the location of the farm work.

Assumptions

- The DOT will incur a one-time vendor cost of \$80,000 to redesign the existing minor school license to a special minor restricted license.
- The DOT will incur one-time information technology (IT) programming costs of \$68,000 for the DOT database to update the card design and create a new license, restriction, and sanction for the new special minor restricted license. A new form and a new program for the receipt/recording of the form will need to be created.
- The DOT estimates approximately 21,000 students may be eligible for special restricted driver’s licenses. It is assumed that 10,600 students would apply for this type of license per year.
- The DOT may incur additional staff overtime costs to help process employment consent forms.

Fiscal Impact

The estimated fiscal impact to the DOT for SF 2109 is approximately \$209,000 in FY 2025, and ongoing costs of approximately \$61,000 in FY 2026.

Figure 1 — Estimated Fiscal Impact for SF 2109

DOT Costs	FY 2025	FY 2026
Card Redesign	\$ 80,000	\$ 0
IT Programming	68,000	0
Employment Consent Form Processing Time	61,000	61,000
Total	\$ 209,000	\$ 61,000

Numbers may not total due to rounding.

Sources

Department of Transportation
Legislative Services Agency

/s/ Jennifer Acton

April 3, 2024

Doc ID 1448606

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



[SF 2261](#) – Ignition Interlock Devices (LSB5491SV.1)
Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov
Fiscal Note Version – As amended and passed by the Senate

Description

[Senate File 2261](#) requires the installation of an ignition interlock device (IID) on every vehicle operated by a person whose driver's license is revoked for operating while intoxicated (OWI) prior to the issuance of a temporary restricted license (TRL). This requirement applies regardless of whether or not the person has had previous convictions or revocations under Iowa Code chapter [321J](#).

The Bill makes the following changes:

- Establishes the alcohol concentration beyond which an IID will not allow the operation of the motor vehicle at 0.04.
- Establishes compliance-based removal provisions that may extend the period of time a person is required to maintain an IID for multiple violations in a certain time period. The Bill establishes reporting requirements for IID providers.
- Amends an existing penalty for circumventing or tampering with an IID to include the removal of an IID. The penalty for this act is a serious misdemeanor.
- Requires the Department of Transportation (DOT) to establish procedures by administrative rule to waive IID requirements under Iowa Code chapter 321J for individuals with a verifiable medical condition.
- Requires the DOT to develop an electronic process in which an approved IID provider is able to identify the start date of a driver's license revocation and to provide notice of any violations and a final compliance report.
- Prohibits an IID provider from imposing an early termination fee.

The Bill takes effect January 1, 2025, and is applicable to license revocations that occur after the effective date.

Background

Currently, a person whose driver's license is revoked for operating while intoxicated is required to install an IID before being issued a TRL by the DOT. The IID must be installed on every vehicle owned or operated by the person, or every vehicle operated by the person if the person has had no previous conviction or revocation under Iowa Code chapter 321J.

The Department of Public Safety establishes by administrative rule the level of alcohol concentration beyond which an IID will not allow the operation of the motor vehicle. The current level is 0.025 under [661 IAC 158.6](#).

Currently, a person with a second or subsequent driver's license revocation for OWI is required to install an IID for a minimum of one year after reinstatement of a full driver's license (not a TRL). The one-year period will be reduced by any time a person had an IID installed on a person's vehicle while operating with a TRL.

Under current law, a person found guilty of violating Iowa Code chapter 321J commits a serious misdemeanor, which can result in a period of imprisonment in county jail of at least 48 hours but not more than 1 year and a fine of at least \$430 but not more than \$2,560. The person's driver's license is revoked for a period of 180 days unless the person is issued a TRL.

In FY 2023, there were 5 convictions under Iowa Code sections [321J.4\(8\)\(f\)](#) and [321J.20\(7\)](#) for tampering with or circumventing an IID, 2 convictions for failure to install pursuant to Iowa Code section 321J.4(8)(e), and 74 convictions under Iowa Code section 321J.4(8)(c) for operating a vehicle without installing an IID.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and other criminal justice system policies and practices.
- A delay of six months is assumed from the effective date of this Bill to the date of first entry of affected offenders into the correctional system.
- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- The DOT estimates a one-time information technology (IT) programming cost.

Correctional Impact

Since SF 2261 amends an existing serious misdemeanor, it is unknown how many additional convictions would occur. As a result, the correctional impact of the Bill cannot be determined due to a lack of data. **Figure 1** provides estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; LOS under those supervisions; and supervision marginal costs per day for all serious misdemeanor convictions. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 16, 2024, for information related to the correctional system.

Figure 1 — Sentencing Estimate and Length of Stay (LOS)

Conviction Offense Class	Percent Ordered to State Prison	FY 23 Avg LOS In Prison In Months (All Releases)	FY 23 Marginal Cost Per Day Prison	Percent Ordered to Probation	FY 23 Avg LOS on Probation In Months	FY 23 Avg Cost Per Day Probation	Percent Sentenced to CBC Residential Facility	FY 23 Marginal Cost Per Day CBC	Percent Ordered to County Jail	Avg Length of Stay in County Jail	Marginal Cost Per Day Jail	FY 23 Avg LOS on Parole In Months	FY 23 Marginal Cost Per Day Parole
Serious Misdemeanor	1.7%	6.6	\$24.94	53.0%	19.2	\$7.67	1.2%	\$20.00	74.2%	N/A	\$50.00	N/A	\$7.67

Minority Impact

The minority impact cannot be determined due to a lack of data. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 16, 2024, for information related to minorities in the criminal justice system.

Fiscal Impact

The fiscal impact cannot be estimated due to a lack of data. The penalty for a serious misdemeanor is an average State cost of a minimum of \$400 and a maximum of \$6,859. The estimated cost to the State General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the Department of Corrections (DOC). The cost would be incurred across multiple fiscal years for prison and parole supervision. In addition, the DOT estimates one-time IT programming costs of approximately \$34,000 resulting from the Bill.

Sources

Criminal and Juvenile Justice Planning, Department of Management
Iowa Department of Transportation

/s/ Jennifer Acton

April 3, 2024

Doc ID 1448580

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

www.legis.iowa.gov



SF 2335 – Cannabidiol Dispensaries, Maximum Number of Licensees (LSB5831SV.1)
 Staff Contact: Louie Hoehle (515.281.6561) louie.hoehle@legis.iowa.gov
 Fiscal Note Version – As amended and passed by the Senate

Description

Senate File 2335 increases the maximum number of medical cannabidiol dispensary licenses in the State from 5 to 10. The Bill allows a licensee to hold any number of medical cannabidiol dispensary licenses.

Background

The Medical Cannabidiol Program was established in 2017, authorizing the manufacture and sale of products that contain both cannabidiol (CBD) and tetrahydrocannabinol (THC). Through the Program, the Department of Health and Human Services (HHS) can award up to five CBD licenses in the State. Currently, MedPharm Iowa holds two dispensary licenses, while Iowa Cannabis Company holds three dispensary licenses.

Taxable sales of medical CBD were approximately \$13.2 million in FY 2023.

Assumptions

- Senate File 2335 may expand the availability of medical CBD.
- The number of active registration cards issued to patients may remain unchanged.
- Medical CBD taxable sales revenue may increase by 25.0% because of previously unmet demand.
- Medical CBD taxable sales and sales tax revenue are estimated to grow at an average annual inflation rate of 2.0% from FY 2024 to FY 2029.
- Secure an Advanced Vision for Education (SAVE) refunds are 1.0% of taxable sales. Local option sales tax (LOST) distributions are estimated to be 0.97% of taxable sales.
- The HHS reports that approximately \$100,000 of information technology (IT) costs and any additional licensing costs associated with validating and integrating new dispensaries and dispensary personnel will be absorbed by the Program’s current operational funding.

Fiscal Impact

Senate File 2335 is estimated to increase revenue to the General Fund, SAVE Fund, and LOST by the estimated amounts in **Figure 1**.

Figure 1 — Fiscal Impact of SF 2335 (in millions)

	<u>General Fund</u>	<u>SAVE</u>	<u>LOST</u>
FY 2025	\$ 0.16	\$ 0.03	\$ 0.03
FY 2026	0.16	0.03	0.03
FY 2027	0.16	0.03	0.03
FY 2028	0.17	0.03	0.03
FY 2029	0.17	0.03	0.03

Sources

Department of Health and Human Services
Department of Revenue

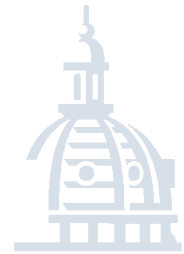
/s/ Jennifer Acton

April 3, 2024

Doc ID 1448651

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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[HF 2679](#) – Law Firm Contract Attorneys, Tax Credit (LSB5550HV)
Staff Contact: Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov
Fiscal Note Version – New

Description

[House File 2679](#) provides a deduction from the individual income tax or corporate income tax for certain income derived from indigent representation by an attorney. The amount of the deduction is equal to the difference between the total hours billed in the case multiplied by \$150, or multiplied by the actual hourly rate charged by the law firm, whichever is less, and the total hours billed in the case multiplied by the hourly rate in effect for the case in Iowa Code section [815.7](#). The Bill applies to a partner in a partnership, a shareholder of an S corporation, or a member of a limited liability company (LLC).

The Bill is retroactively effective to January 1, 2024, for tax years beginning on or after that date.

Background

In the Bill, “eligible law firm” is defined as a law firm consisting of two or more attorneys that practice law in the firm for at least half of each tax year during which the law firm is engaged in an eligible case. An “eligible case” means an appointment on or after July 1, 2024, by an Iowa court of an eligible attorney to represent a person in a case in accordance with Iowa Code sections [814.11](#) and [815.10](#), which detail the law regarding an indigent’s right to counsel and the appointment of an attorney by a court, respectively. An “eligible attorney” is one who has been licensed to practice law in Iowa for less than five years.

Iowa Code section 815.7 is referenced in the Bill as the base hourly rate that an attorney who is appointed by a court in Iowa may be compensated at to represent indigent clients. 2023 Iowa Acts, [Senate File 562](#) (FY 2024 Justice System Appropriations Act), updated the hourly compensation an attorney could receive when appointed as an indigent defender to \$83 per hour for Class A felonies, \$78 per hour for Class B felonies, and \$73 per hour for all other cases.

Assumptions

- The number of full-time attorneys eligible to represent indigent defense clients in the State is estimated at 5,000 based on an Iowa State Bar [article](#).
- According to the Iowa Office of the State Public Defender (SPD), under 600 contract attorneys provided services for Iowa’s indigent representation in 2023. In FY 2023, 71,482 claims were submitted to the Indigent Defense Fund at an average cost per claim of \$549.
- According to the Iowa State Bar Association [2023 Economic Survey](#), approximately 9.0% of members statewide have been practicing law for less than five years.
- Eligible attorneys would be appointed to an average aggregate of 28 Class A felony cases per tax year, 7,000 non-Class A felony cases per tax year, and 37,000 misdemeanor cases per tax year.
- The SPD sets fee limitations of 258 billable hours for Class A felonies, 56 billable hours for Class B felonies, between 20 and 30 billable hours for other felonies, and between 5 and 20 billable hours for misdemeanors. It is assumed in this **Fiscal Note** that Class A felonies will

average 240 billable hours, non-Class A felonies will average 35 billable hours, and misdemeanors will average 8 billable hours.

- The actual hourly billable rate charged by a law firm equals \$135 per hour in TY 2024, increasing by 2.0% annually due to inflation, with a maximum of \$150 per hour from the Bill. Statutory indigent defense rates defined for billable hourly rates are assumed.
- It is assumed that outside contracted law firms appointed to indigent defense cases would be structured as either an LLC partnership or an LLP. Under the structure of these partnerships, both federal taxable income and Iowa taxable income would be divided pro rata amongst partners, who will include this income under their own individual income tax returns.
- It is assumed that LLC partnerships and LLPs do not elect to utilize the Pass-Through Entity Tax (PTET).
- The entire fiscal impact of the Bill will be applied to the individual income tax with no fiscal impact to the corporate income tax.
- The marginal individual income tax rate per tax year is estimated below:
 - TY 2024 = 5.0%
 - TY 2025 = 4.7%
 - TY 2026 and after = 3.9%
- Due to eligible cases beginning on July 1, 2024, TY 2024 will realize 50.0% less in billable hours.
- The initial fiscal impact for claims under the Bill will occur in FY 2025 for TY 2024.
- The [income surtax for schools](#) is a local option tax that is based on a taxpayer's Iowa income tax liability. Law changes that lower Iowa income tax liability also lower the amount of income surtax owed by any taxpayer subject to the surtax. For this projection, the surtax is assumed to equal 2.5% of State individual income tax liability.

Fiscal Impact

The proposed deductions from the individual income tax in HF 2679 are projected to decrease net individual income tax liability and State General Fund revenue by the following amounts:

- FY 2025 = \$816,000
- FY 2026 = \$1.6 million
- FY 2027 = \$1.4 million
- FY 2028 = \$1.4 million
- FY 2029 = \$1.5 million
- FY 2030 = \$1.6 million

The decrease in tax liability is also projected to decrease the statewide local option income surtax for schools by the following amounts:

- FY 2025 = \$20,000
- FY 2026 = \$40,000
- FY 2027 = \$35,000
- FY 2028 = \$36,000
- FY 2029 = \$38,000
- FY 2030 = \$40,000

Sources

Iowa Office of the State Public Defender
American Bar Association
Iowa State Bar Association
Iowa Department of Revenue
Legislative Services Agency analysis

/s/ Jennifer Acton

April 3, 2024

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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[HF 2680](#) – 411 Retirement System (LSB6363HV)
Staff Contacts: Xavier Leonard (515.725.0509) xavier.leonard@legis.iowa.gov
Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov
Fiscal Note Version – New

[House File 2680](#) relates to public safety personnel retirement systems and the taxation of surviving spouse pension benefits. There are retroactive applicability provisions.

Division I — Civil Service Evaluations — Municipal Fire and Police Retirement System — Certain Benefits

Description

Division I relates to civil service entrance evaluations and benefits for members of the Municipal Fire and Police Retirement System of Iowa (MFPRSI). The Bill expands the number of disabilities eligible for an accidental disability benefit and allows retirees who are receiving an ordinary benefit and who are within three years of retirement to apply for an accidental disability benefit. The Bill also adds a mental health evaluation to the required examination of applicants for civil service.

Background

Iowa Code chapter [400](#) relates to civil service and requires applicants for the positions of police officer and fire fighter to take entrance examinations to determine whether the applicant meets qualification standards. The examinations are designed to test the mental and physical ability of an applicant to perform the duties of the position.

Iowa Code chapter [411](#) relates to a retirement system for police officers and fire fighters. The chapter provides for the payment of pensions to retired members, members incurring disabilities, and the surviving spouses and dependents of deceased members. The chapter also relates to a disability program for police officers and fire fighters and includes standards for entrance, guidelines for ongoing fitness and wellness, disability pensions, and postdisability retirement compliance requirements.

Based on the July 1, 2023, actuarial valuation, the MFPRSI covers approximately 4,168 active members; 1,206 disabled members; 3,227 retired members and beneficiaries; and 465 vested, terminated members. The current actuarial accrued liability of the MFPRSI is \$3.802 billion, the actuarial value of assets is \$3.215 billion, and the unfunded actuarial liability is \$586.8 million. The ratio of liabilities to assets (funded ratio) of the retirement system is 84.57%.

For FY 2025, members' estimated annual contributions at the current rate of 9.40% total \$35.2 million, and cities' estimated contributions at 22.66% total \$84.9 million. Total covered payroll is \$374.8 million.

Figure 1 below shows the annual employer and employee contribution rates for FY 2021 to FY 2025.

Figure 1 — Annual Contribution Rates

	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Employer Contribution Rate	25.31%	26.18%	23.90%	22.98%	22.66%
Employee Contribution Rate	9.40%	9.40%	9.40%	9.40%	9.40%
Total	<u>34.71%</u>	<u>35.58%</u>	<u>33.30%</u>	<u>32.38%</u>	<u>32.06%</u>

Iowa Code section [411.8](#) provides that member contribution rates will be increased for any statutory changes, if the increase cannot be absorbed within the current contribution rates, up to a maximum of 11.35%. Costs are then applied 60/40 between the employer and employee. Current member contribution rates are 9.40% of pay.

The MFPRSI provides for both an ordinary and accidental disability benefit for a member in good standing with the System. The medical board determines whether a member is medically able to perform the member’s job duties. If the member is determined to be unable to perform the member’s duties, the MFPRSI decides whether the member is eligible for an ordinary or accidental disability benefit. The compensation for an ordinary disability is 50.0% of the average final compensation, whereas the compensation for an accidental disability is 60.0% of the average final compensation.

Cities are responsible for the payment of all medical costs related to MFPRSI claims under Iowa Code section [411.15](#). Cities cannot use workers’ compensation to cover short-term indemnity or medical cost exposure. Iowa Code section [85.1\(4\)](#) states that workers’ compensation does not apply to “persons entitled to benefits pursuant to Iowa Code chapters [410](#) and [411](#).”

Assumptions

- Expanding the number of disabilities eligible for an accidental disability benefit and allowing retirees who are receiving an ordinary disability benefit and within three years of retirement to apply for an accidental disability benefit will reduce the funded ratio of the Municipal Fire and Police Retirement Fund by 0.12%, from 84.57% to 84.45%.
- Based on the most recent actuarial valuation report as of July 1, 2023, no increase in costs can be absorbed within the existing contribution rates for FY 2025. The FY 2025 employee contribution rate will need to increase from 9.40% to 9.55%, an increase of 0.15%.
- According to the MFPRSI, the total contribution rate impact of the Bill will be an increase of 0.15% to the members’ contribution rate. The provisions creating the impact include the following:
 - Allowing current ordinary disability retirees within three years of retirement to apply for an accidental disability benefit will increase the total contribution rate by 0.03%.
 - Permitting future ordinary disabilities to be treated as accidental disabilities due to the elimination of the definite time and place requirement and requiring a traceable event for mental injuries that is unusual compared to the typical experiences of police officers and fire fighters in the State will increase the total contribution rate by 0.07%.
 - A 5.0% increase in total future disabilities due to the expansion of accidental disability benefits combined with accidental disability tax advantages will increase member contribution rates by 0.5%.
- All other actuarial assumptions made by the MFPRSI for annual actuarial valuations going forward will be met.
- The MFPRSI may see an increase in administrative costs related to medical exams between approximately \$50,000 and \$100,000 in FY 2025 and \$20,000 and \$50,000 in FY 2026 and each year thereafter. This includes the implementation and performance of mental health evaluations.

- Medical and administrative costs incurred by cities may increase for all injuries and diseases related to employment, regardless of the type of benefit received from the System.
- There are approximately seven ordinary disability retirements per year.
- Eliminating the link between medical costs and MFPRSI accidental disabilities and requiring medical cost coverage for cumulative injuries may result in additional medical costs being covered by city employers.

Fiscal Impact

Administrative costs for the MFPRSI associated with performing mental health evaluations and medical exams are estimated to increase between \$50,000 and \$100,000 in FY 2025 and between \$20,000 and \$50,000 annually in FY 2026 and each year thereafter. Any increased administrative costs for the MFPRSI will be paid from the Municipal Fire and Police Retirement Fund.

The unfunded actuarial accrued liability of the Municipal Fire and Police Retirement Fund is estimated to increase by approximately \$4.6 million in FY 2025. The funded ratio will decrease from 84.57% to 84.45%.

Increasing members' contribution rate from 9.40% to 9.64% is estimated to have an annual cost of approximately \$899,000, or \$216 per employee. In subsequent fiscal years, this cost may increase based on covered payroll.

Cities under the MFPRSI are required to provide hospital, nursing, and medical attention for members of the police and fire departments. The fiscal impact of **Division I** on cities for additional medical costs cannot be determined at this time but may be significant.

Sources

Iowa League of Cities
 Municipal Fire and Police Retirement System of Iowa Actuarial Valuation Report
 Municipal Fire and Police Retirement System of Iowa
 Legislative Services Agency

Division II — Civil Service Evaluations — Municipal Fire and Police Retirement System — Certain Benefits

Description

Division II of the Bill exempts a deceased public safety officer's pension income from the individual income tax of a surviving spouse who is not disabled or 55 years of age or older.

Division II of the Bill is retroactive to tax years beginning on or after tax year (TY) 2024.

Background

2022 Iowa Acts, [House File 2317](#) (Income Tax Rate Reduction and Exemptions Act), exempted pension and retirement income from the individual income tax if the individual is disabled or 55 years of age or older, or is the surviving spouse of an individual or is a survivor having an insurable interest in an individual, who would have qualified for the pension or retirement pay exemption. Currently, a surviving spouse or survivor with an insurable interest does not qualify for the exemption unless the surviving spouse or survivor is also disabled or at least 55 years of age.

Assumptions

- As of 2022, the MFPRSI had approximately 9,000 members. As of 2023, the Public Safety Officers' Retirement, Accident, and Disability System (PORS) had approximately 1,300

members, while the Iowa Public Employees' Retirement System (IPERS) had approximately 404,000 members, 22 of whom are eligible to receive an exemption under the Bill for a total cost of \$397,000, or approximately \$18,000 in pension income per member. This **Fiscal Note** assumes approximately 100 members of these organizations are eligible under the Bill to receive an annual pension income exemption of \$20,000 each.

- Pension income will increase by 2.0% per year due to inflation beginning in TY 2025.
- The marginal individual income tax rate per tax year is estimated below:
 - TY 2024 = 5.0%
 - TY 2025 = 4.7%
 - TY 2026 and after = 3.9%
- The initial fiscal impact under the Bill will occur in FY 2025 from TY 2024.
- The [income surtax for schools](#) is a local option tax that is based on a taxpayer's Iowa income tax liability. Law changes that lower Iowa income tax liability also lower the amount of income surtax owed by any taxpayer subject to the surtax. For this projection, the surtax is assumed to equal 2.5% of State individual income tax liability.

Fiscal Impact

The proposed exemptions from the individual income tax in HF 2680 are projected to decrease net individual income tax liability and State General Fund revenue by the following amounts:

- FY 2025 = \$100,000
- FY 2026 = \$96,000
- FY 2027 = \$81,000
- FY 2028 = \$83,000
- FY 2029 = \$84,000

The decrease in tax liability is also projected to decrease the statewide local option income surtax for schools by the following amounts:

- FY 2025 = \$3,000
- FY 2026 and beyond = \$2,000

Sources

Municipal Fire and Police Retirement System in Iowa
Iowa Public Employees' Retirement System
Public Safety Officers' Retirement, Accident, and Disability System
Iowa Department of Revenue
Legislative Services Agency analysis

/s/ Jennifer Acton

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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