

State of Iowa
2003

JOURNAL OF THE HOUSE

2003 REGULAR SESSION EIGHTIETH GENERAL ASSEMBLY

**Convened January 13, 2003
Adjourned May 1, 2003**

**Volume II
April 23, 2003—May 1, 2003**

**THOMAS J. VILSACK, Governor
CHRISTOPHER RANTS, Speaker of the House
MARY KRAMER, President of the Senate**

Published by the
STATE OF IOWA
Des Moines

JOURNAL OF THE HOUSE

One Hundred First Calendar Day - Seventy-second Session Day

Hall of the House of Representatives
Des Moines, Iowa, Wednesday, April 23, 2003

The House met pursuant to adjournment at 8:52 a.m., Speaker Rants in the chair.

Prayer was offered by Reverend John O'Connor, pastor of St. Boniface Catholic Church, New Vienna. He was the guest of Representative Steve Lukan of Dubuque County.

The Journal of April 22, 2003 was approved.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

The House stood at ease at 9:00 p.m., until the fall of the gavel.

The House resumed session at 11:25 a.m., Speaker Rants in the chair.

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed sixty-one members present, thirty-nine absent.

ADOPTION OF SENATE CONCURRENT RESOLUTION 8

Freeman of Buena Vista called up for consideration **Senate Concurrent Resolution 8**, a concurrent resolution supporting the completion of U.S. Highway 20 across northern Iowa and requesting federal assistance, and moved its adoption.

The motion prevailed and the resolution was adopted.

CONSIDERATION OF BILLS

Ways and Means Calendar

House File 681, a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability, was taken up for consideration.

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

On the question "Shall the bill pass?" (H.F. 681)

The ayes were, 96:

| | | | |
|------------|------------------|------------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Bogges | Bukta |
| Chambers | Cphoon | Connors | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Eichhorn | Elgin |
| Foege | Ford | Freeman | Frevert |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |
| Osterhaus | Paulsen | Petersen | Quirk |
| Raecker | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, T. | Thomas | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. |
| Watts | Wendt | Whitaker | Whitead |
| Wilderdyke | Winckler | Wise | Mr. Speaker |
| | | | Rants |

The nays were, none.

Absent or not voting, 4:

| | | | |
|-----------|---------|--------|------------|
| Boddicker | Carroll | Fallon | Taylor, D. |
|-----------|---------|--------|------------|

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

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House File 681 and Senate Concurrent Resolution 8.**

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 23, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 304, a bill for an act relating to the payment by a county of the agricultural land tax credit and reimbursement to the county of its payment and providing an effective date.

Also: That the Senate has on April 23, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 558, a bill for an act authorizing the department of human services to disclose information regarding the listing of an individual in the child or dependent abuse registry or the sex offender registry when it is necessary for the protection of a child or a dependent adult.

Also: That the Senate has on April 23, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 577, a bill for an act providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing an effective date.

Also: That the Senate has on April 23, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

Senate File 359, a bill for an act relating to landlords, tenants, and actions for forcible entry or detention.

Also: That the Senate has on April 23, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

Senate File 366, a bill for an act relating to the Iowa probate code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision.

MICHAEL E. MARSHALL, Secretary

HOUSE FILE 491 WITHDRAWN

Drake of Pottawattamie asked and received unanimous consent to withdraw House File 491 from further consideration by the House.

On motion by Gipp of Winneshiek, the House was recessed at 11:45 a.m., until 1:15 p.m.

AFTERNOON SESSION

The House reconvened at 1:16 p.m., Jacobs of Polk in the chair.

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed sixty-one members present, thirty-nine absent.

INTRODUCTION OF BILL

House Joint Resolution 10, by Greiner, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

Read first time and referred to committee on **environmental protection**.

CONSIDERATION OF BILLS

Ways and Means Calendar

House File 679, a bill for an act relating to the new jobs and income program and providing a tax credit, was taken up for consideration.

Shoultz of Black Hawk asked and received unanimous consent that amendment H-1439 be deferred.

Eichhorn of Hamilton asked and received unanimous consent to withdraw amendment H-1403 filed by him and Miller of Webster on April 22, 2003.

Lukan of Dubuque offered the following amendment H-1378 filed by him and moved its adoption:

H-1378

- 1 Amend House File 679 as follows:
- 2 1. Page 5, by inserting after line 13 the
- 3 following:
- 4 "Sec. ____ EFFECTIVE AND RETROACTIVE APPLICABILITY
- 5 DATES. Sections 2 and 3 of this Act, relating to the
- 6 franchise tax credit, being deemed of immediate
- 7 importance, take effect May 1, 2003, and, if approved
- 8 by the governor after May 1, 2003, shall apply
- 9 retroactively to May 1, 2003."
- 10 2. Title page, line 1, by striking the words
- 11 "program and" and inserting the following:
- 12 "program,".
- 13 3. Title page, line 2, by inserting after the
- 14 word "credit" the following: ", and providing
- 15 effective and retroactive applicability dates".
- 16 4. By renumbering as necessary.

Amendment H-1378 was adopted.

Jochum of Dubuque asked and received unanimous consent that amendment H-1341 be deferred.

Shoultz of Black Hawk offered the following amendment H-1439, previously deferred, filed by him from the floor and moved its adoption:

H-1439

- 1 Amend House File 679 as follows:
- 2 1. Page 1, by inserting before line 1 the
- 3 following:
- 4 "Section 1. NEW SECTION. 15.115 ACCOUNTABILITY.
- 5 1. If the department of economic development
- 6 determines that a recipient of financial assistance in
- 7 the form of a tax credit under a program administered
- 8 by the department of economic development has not met
- 9 performance measures and benchmarks developed by the
- 10 department, the department of economic development
- 11 shall notify the department of revenue and finance.
- 12 Upon notification, the department of revenue and
- 13 finance shall initiate an investigation of the failure
- 14 of the recipient to achieve the performance measures
- 15 and benchmarks. If the department of revenue and
- 16 finance determines that the performance and benchmarks
- 17 were not met by the recipient, the department of

- 18 revenue and finance shall initiate proceedings to
19 recover state taxes received by the recipient.
20 2. Any state taxes recovered by the department of
21 revenue and finance shall be deposited in the state
22 tax recovery fund. The state tax recovery fund is
23 created in the state treasury under the control of the
24 department of revenue and finance. Moneys in the fund
25 are appropriated to the department of revenue and
26 finance for purposes of initiating investigations and
27 recovery proceedings under this section. On June 30
28 of each fiscal year, any unobligated moneys remaining
29 in the fund shall be deposited in a fund enacted by
30 the general assembly during the 2003 legislative
31 session and funded with bond sale proceeds totaling
32 more than five hundred million dollars."
33 2. Title page, line 1, by inserting after the
34 word "program" the following: ", economic development
35 accountability and funding,".
36 3. By renumbering as necessary.

Amendment H-1439 lost.

Jochum of Dubuque asked and received unanimous consent to withdraw amendment H-1341, previously deferred, filed by her on April 15, 2003.

The House stood at ease at 1:40 p.m., until the fall of the gavel.

The House resumed session at 1:55 p.m., Jacobs of Polk in the chair.

Huser of Polk offered the following amendment H-1442 filed by her from the floor and moved its adoption:

H-1442

- 1 Amend House File 679 as follows:
2 1. Page 4, by inserting after line 20 the
3 following:
4 "Sec. ____ Section 15E.193B, subsection 4, Code
5 2003, is amended to read as follows:
6 4. The eligible housing business shall complete
7 its building or rehabilitation within two years from
8 the time the business begins construction on the
9 single-family homes and dwelling units. The failure
10 to complete construction or rehabilitation within two
11 years shall result in the eligible housing business
12 becoming ineligible and subject to the repayment
13 requirements and penalties enumerated in subsection 7.
14 The department may extend the prescribed two-year

- 15 completion period if the department determines that
 16 completion within the two-year period is impossible or
 17 impractical as a result of a substantial loss caused
 18 by flood, fire, earthquake, storm, or other
 19 catastrophe. For purposes of this subsection,
 20 "substantial loss" means damage or destruction in an
 21 amount in excess of thirty percent of the project's
 22 expected eligible basis as set forth in the eligible
 23 housing business's application."
 24 2. Title page, by striking line 1 and inserting
 25 the following: "An Act relating to economic
 26 development by modifying the new jobs and income
 27 program and the enterprise zone program and
 28 providing".
 29 3. By renumbering as necessary.

Amendment H-1442 was adopted.

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

On the question "Shall the bill pass?" (H.F. 679)

The ayes were, 98:

| | | | |
|------------------|------------------|------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boggess | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Granzow |
| Greimann | Greiner | Hahn | Hansen |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |
| Osterhaus | Paulsen | Petersen | Quirk |
| Raecker | Rants, Spkr. | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Jacobs, | | |
| | Presiding | | |

The nays were, none.

Absent or not voting, 2:

Boddicker

Gipp

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

IMMEDIATE MESSAGE

Klemme of Plymouth asked and received unanimous consent that **House File 679** be immediately messaged to the Senate.

Appropriations Calendar

House File 675, a bill for an act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for appropriation of fees, and providing penalties, was taken up for consideration.

Upmeyer of Hancock offered the following amendment H-1407 filed by her and moved its adoption:

H-1407

- 1 Amend House File 675 as follows:
- 2 1. Page 1, by striking lines 10 through 22 and
- 3 inserting the following: "fire marshal shall be
- 4 deposited in the general fund of the state."
- 5 2. Page 1, by striking lines 28 and 29.
- 6 3. Page 2, by striking lines 2 through 16.
- 7 4. Page 2, line 24, by striking the word
- 8 "through" and inserting the following: "and".
- 9 5. Page 2, by striking lines 29 through 32.
- 10 6. Page 4, by striking line 1, and inserting the
- 11 following: "appeals".
- 12 7. Page 4, by striking lines 20 and 21.
- 13 8. Page 5, by striking lines 5 through 9, and
- 14 inserting the following: "recognizes as having
- 15 specific assisted living program standards equivalent
- 16 to the standards established by the department for
- 17 assisted".
- 18 9. Page 5, by striking lines 20 and 21, and
- 19 inserting the following:
- 20 "1. The department shall establish by".
- 21 10. Page 5, by striking lines 24 and 25, and

- 22 inserting the following: "department may adopt by
23 reference".
- 24 11. Page 5, line 30, by inserting after the word
25 "with" the following: "the department of inspections
26 and appeals, and".
- 27 12. Page 6, by striking lines 13 through 15, and
28 inserting the following: "assisted living programs,
29 the department in consultation with the department of
30 inspections and appeals and affected industry,
31 professional, and".
- 32 13. Page 7, by striking lines 1 and 2, and
33 inserting the following: "for an assisted living
34 program. A".
- 35 14. Page 8, by striking lines 2 and 3, and
36 inserting the following:
37 "7. The department may also establish".
- 38 15. Page 8, line 6, by inserting after the word
39 "with" the following: "the department of inspections
40 and appeals and".
- 41 16. Page 8, line 9, by striking the words
42 "political subdivision" and inserting the following:
43 "governmental unit".
- 44 17. Page 8, by striking lines 15 and 16, and
45 inserting the following:
46 "9. The department shall adopt rules".
- 47 18. Page 8, line 21, by inserting after the word
48 "with" the following: "the department of inspections
49 and appeals and".
- 50 19. Page 11, by striking lines 32 through 34, and

Page 2

- 1 inserting the following:
2 "2. The department, in consultation with the
3 department of inspections and appeals and affected
4 industry, professional, and consumer groups".
- 5 20. Page 12, line 16, by striking the words "of
6 elder affairs".
- 7 21. Page 16, by striking lines 17 and 18, and
8 inserting the following:
9 "The department may establish by rule".
- 10 22. Page 18, by striking lines 11 through 13, and
11 inserting the following:
12 "1. The department of inspections and appeals
13 shall collect assisted living program certification
14 and related fees. An".
- 15 23. Page 18, by striking lines 20 through 33 and
16 inserting the following: "deposited in the general
17 fund of the state.
- 18 2. The following certification and related fees
19 shall apply to assisted living programs:
20 a. For a two-year initial certification, seven

- 21 hundred fifty dollars.
 22 b. For a two-year recertification, one thousand
 23 dollars.
 24 c. For a blueprint plan review, nine hundred
 25 dollars.
 26 d. For an optional preliminary plan review, five
 27 hundred dollars."
 28 24. Title page, line 3, by striking the words
 29 "appropriation of".
 30 25. By renumbering as necessary.

Amendment H-1407 was adopted.

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

On the question "Shall the bill pass?" (H.F. 675)

The ayes were, 97:

| | | | |
|------------------|------------|------------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boggess | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heddens | Hoffman |
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |
| Osterhaus | Paulsen | Petersen | Quirk |
| Raecker | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wendt | Whitaker |
| Whitead | Wilderdyke | Winckler | Wise |
| Jacobs, | | | |
| Presiding | | | |

The nays were, none.

Absent or not voting, 3:

Boddicker

Heaton

Rants, Spkr.

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

IMMEDIATE MESSAGE

Klemme of Plymouth asked and received unanimous consent that **House File 675** be immediately messaged to the Senate:

HOUSE FILE 582 WITHDRAWN

Upmeyer of Hancock asked and received unanimous consent to withdraw House File 582 from further consideration by the House.

Roberts of Carroll in the chair at 2:13 p.m.

House File 663, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date, was taken up for consideration.

Tymeson of Madison offered the following amendment H-1375 filed by her and moved its adoption:

H-1375

- 1 Amend House File 663 as follows;
- 2 1. By striking everything after the enacting
- 3 clause and inserting the following:
- 4 "Section 1. Section 422E.1, subsections 2 and 3,
- 5 Code 2003, are amended to read as follows:
- 6 2. The maximum rate of tax shall be one percent.
- 7 The tax shall be imposed without regard to any other
- 8 local sales and services tax authorized in chapter
- 9 422B, and is repealed at the expiration of a period of
- 10 ten years of imposition or a shorter period as
- 11 provided in the ballot proposition. However, all
- 12 local option sales and services taxes for school
- 13 infrastructure purposes are repealed December 31,
- 14 2022.

15 3. Local sales and services tax moneys received by
16 a county for school infrastructure purposes pursuant
17 to this chapter shall be utilized ~~solely~~ for school
18 infrastructure needs or property tax relief. For
19 purposes of this chapter, "school infrastructure"
20 means those activities for which a school district is
21 authorized to contract indebtedness and issue general
22 obligation bonds under section 296.1, except those
23 activities related to a teacher's or superintendent's
24 home or homes. These activities include the
25 construction, reconstruction, repair, demolition work,
26 purchasing, or remodeling of schoolhouses, stadiums,
27 gyms, fieldhouses, and bus garages and the procurement
28 of schoolhouse construction sites and the making of
29 site improvements. Additionally, "school
30 infrastructure" includes the payment or retirement of
31 outstanding bonds previously issued for school
32 infrastructure purposes as defined in this subsection,
33 and the payment or retirement of bonds issued under
34 section 422E.4.

35 Sec. 2. Section 422E.2, subsection 3, Code 2003,
36 is amended to read as follows:

37 3. The county commissioner of elections shall
38 submit the question of imposition of a local sales and
39 services tax for school infrastructure purposes at a
40 state general election or at a special election held
41 at any time other than the time of a city regular
42 election. The election shall not be held sooner than
43 sixty days after publication of notice of the ballot
44 proposition. The ballot proposition shall specify the
45 rate of tax, the date the tax will be imposed and
46 repealed, and shall contain a statement as to the
47 specific purpose or purposes for which the revenues
48 shall be expended. The content of the ballot
49 proposition shall be substantially similar to the
50 petition of the board of supervisors or motions of a

Page 2

1 school district or school districts requesting the
2 election as provided in subsection 2, as applicable,
3 including the rate of tax, imposition and repeal date,
4 and the specific purpose or purposes for which the
5 revenues will be expended. The dates for the
6 imposition and repeal of the tax shall be as provided
7 in subsection 1. The rate of tax shall not be more
8 than one percent ~~as set by the county board of~~
9 ~~supervisors.~~ The state commissioner of elections
10 shall establish by rule the form for the ballot
11 proposition which form shall be uniform throughout the
12 state.

13 Sec. 3. Section 422E.2, Code 2003, is amended by

14 adding the following new subsection:

15 NEW SUBSECTION. 3A. a. Each school district
16 located within the county may submit a revenue purpose
17 statement to the county commissioner of elections no
18 later than sixty days prior to the election indicating
19 the specific purpose or purposes for which the local
20 sales and services tax for school infrastructure
21 revenue and supplemental school infrastructure amount
22 revenue will be expended. The revenues received
23 pursuant to this chapter shall be expended for the
24 purposes indicated in the revenue purpose statement.
25 The revenue purpose statement may include information
26 regarding the school district's use of the revenues to
27 provide for property tax relief or debt reduction. A
28 copy of the revenue purpose statement shall be made
29 available for public inspection in accordance with
30 chapter 22, shall be posted at the appropriate polling
31 places of each school district during the hours that
32 the polls are open, and be published in a newspaper of
33 general circulation in the school district no sooner
34 than twenty days and no later than ten days prior to
35 the election.

36 b. If a revenue purpose statement is not submitted
37 sixty days prior to the election or revenues remain
38 after fulfilling the purpose specified in the revenue
39 purpose statement, the revenues shall be used to
40 reduce the following levies in the following order:

41 (1) Bond levies under sections 298.18 and 298.18A
42 and all other debt levies, until the moneys received
43 or the levies are reduced to zero.

44 (2) The regular physical plant and equipment levy
45 under section 298.2, until the moneys received or the
46 levy is reduced to zero.

47 (3) The voter-approved physical plant and
48 equipment levy and income surtax, if any, under
49 section 298.2, until the moneys received or the levy
50 and income surtax, if any, is reduced to zero.

Page 3

1 (4) The public educational and recreational levy
2 under section 300.2, until the moneys received or the
3 levy is reduced to zero.

4 (5) The schoolhouse tax levy under section 278.1,
5 subsection 7, Code 1989, until the moneys received or
6 the levy is reduced to zero.

7 Any money remaining after the reduction of the
8 levies specified in this paragraph "b" may be used for
9 any authorized infrastructure purpose of the school
10 district.

11 c. Counties holding an election on the local sales
12 and services tax for school infrastructure purposes on

13 or after April 1, 2003, but before July 1, 2003, which
14 approve the imposition of the tax at the election
15 shall expend the revenues for any authorized
16 infrastructure purpose of the school district.

17 Sec. 4. Section 422E.2, subsection 4, Code 2003,
18 is amended to read as follows:

19 4. a. The tax may be repealed or the rate
20 increased, but not above one percent, or decreased, or
21 the use of the revenues changed after an election at
22 which a majority of those voting on the question of
23 repeal, ~~or~~ rate change, or change in use favored the
24 repeal, ~~or~~ rate change, or change in use. The
25 election at which the question of repeal, ~~or~~ rate
26 change, or change in use is offered shall be called
27 and held in the same manner and under the same
28 conditions as provided in this section for the
29 election on the imposition of the tax. However, an
30 election on the change in use shall only be held in
31 the school district where the change in use is
32 proposed to occur. The election may be held at any
33 time but not sooner than sixty days following
34 publication of the ballot proposition. However, the
35 tax shall not be repealed before it has been in effect
36 for one year.

37 b. Within ten days of the election at which a
38 majority of those voting on the question favors the
39 imposition, repeal, or change in the rate of the tax,
40 the county auditor shall give written notice of the
41 result of the election by sending a copy of the
42 abstract of the votes from the favorable election to
43 the director of revenue and finance. Election costs
44 shall be apportioned among school districts within the
45 county on a pro rata basis in proportion to the number
46 of registered voters in each school district who
47 reside within the county and the total number of
48 registered voters within the county.

49 c. A local option sales and services tax shall not
50 be repealed or reduced in rate if obligations are

Page 4

1 outstanding which are payable as provided in section
2 422E.4, unless funds sufficient to pay the principal,
3 interest, and premium, if any, on the outstanding
4 obligations at and prior to maturity have been
5 properly set aside and pledged for that purpose.
6 However, this paragraph does not apply to the repeal
7 of the tax on December 31, 2022, as specified in
8 section 422E.1, subsection 2.

9 Sec. 5. Section 422E.3, subsection 4, Code 2003,
10 is amended to read as follows:

11 4. The director of revenue and finance shall

12 credit tax receipts and interest and penalties from
13 the local sales and services tax for school
14 infrastructure purposes to an account within the
15 ~~county's local sales and services tax fund, as created~~
16 ~~in section 422B.10, subsection 1~~ secure an advanced
17 vision for education fund, as provided in section
18 422E.3A, maintained in the name of the school district
19 or school districts located within the county. If the
20 director is unable to determine from which county any
21 of the receipts were collected, those receipts shall
22 be allocated among the possible counties based on
23 allocation rules adopted by the director.

24 Sec. 6. Section 422E.3, subsection 5, unnumbered
25 paragraph 1, Code 2003, is amended to read as follows:

26 d. (1) If more than one school district, or a
27 portion of a school district, is located within the
28 county, tax receipts shall be remitted to each school
29 district or portion of a school district in which the
30 county tax is imposed in a pro rata share based upon
31 the ratio which the ~~percentage of~~ actual enrollment
32 for the school district that attends school in the
33 county bears to ~~the percentage of~~ the total combined
34 actual enrollments for all school districts that
35 attend school in the county.

36 (2) The combined actual enrollment for a county,
37 for purposes of this section, shall be determined for
38 each county ~~imposing a sales and services tax for~~
39 ~~school infrastructure purposes~~ by the department of
40 management based on the actual enrollment figures
41 reported by October 1 to the department of management
42 by the department of education pursuant to section
43 257.6, subsection 1. The combined actual enrollment
44 count shall be forwarded to the director of the
45 ~~department of management~~ revenue and finance by March
46 1, annually, for purposes of supplying estimated tax
47 payment figures and making estimated tax payments
48 pursuant to this section for the following fiscal
49 year.

50 e. Notwithstanding the amount of tax receipts

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1 credited to the account within the secure an advanced
2 vision for education fund maintained in the name of a
3 school district, the amount of tax receipts the school
4 district shall receive from the tax imposed in the
5 county shall be determined as provided in section
6 422E.3A, subsection 2.

7 Sec. 7. Section 422E.3, subsection 7, Code 2003,
8 is amended to read as follows:

9 7. Construction contractors may make application
10 to the department for a refund of the additional local

11 sales and services tax paid under this chapter by
12 reason of taxes paid on goods, wares, or merchandise
13 under the conditions specified in section 422B.11.
14 The refund shall be paid by the department from the
15 appropriate school district's account in the local
16 sales and services tax secure an advanced vision for
17 education fund. The penalty provisions contained in
18 section 422B.11, subsection 3, shall apply regarding
19 an erroneous application for refund of local sales and
20 services tax paid under this chapter.

21 Sec. 8. NEW SECTION. 422E.3A SECURE AN ADVANCED
22 VISION FOR EDUCATION FUND.

23 1. A secure an advanced vision for education fund
24 is created as a separate and distinct fund in the
25 state treasury under the control of the department of
26 revenue and finance. Moneys in the fund include
27 revenues credited to the fund pursuant to this
28 chapter, appropriations made to the fund, and other
29 moneys deposited into the fund. Any amounts disbursed
30 from the fund shall be utilized for school
31 infrastructure purposes or property tax relief.

32 2. The moneys credited in a fiscal year to the
33 secure an advanced vision for education fund shall be
34 distributed as follows:

35 a. A school district that is located in whole or
36 in part in a county that voted on and approved prior
37 to April 1, 2003, the local sales and services tax for
38 school infrastructure purposes and that has a sales
39 tax capacity per student above the guaranteed school
40 infrastructure amount shall receive an amount equal to
41 its pro rata share of the local sales and services tax
42 receipts as provided in section 422E.3, subsection 5,
43 paragraph "d".

44 b. (1) A school district that is located in whole
45 or in part in a county that voted on and approved
46 prior to April 1, 2003, the local sales and services
47 tax for school infrastructure purposes and that has a
48 sales tax capacity per student below its guaranteed
49 school infrastructure amount shall receive an amount
50 equal to its pro rata share of the local sales and

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1 services tax receipts as provided in section 422E.3,
2 subsection 5, paragraph "d", plus an amount equal to
3 its supplemental school infrastructure amount.

4 (2) A school district that is located in whole or
5 in part in a county that voted on and approved on or
6 after April 1, 2003, the local sales and services tax
7 for school infrastructure purposes shall receive an
8 amount equal to its pro rata share of the local sales
9 and services tax receipts as provided in section

10 422E.3, subsection 5, paragraph "d", not to exceed its
11 guaranteed school infrastructure amount. However, if
12 the school district's pro rata share is less than its
13 guaranteed school infrastructure amount, the district
14 shall receive an additional amount equal to its
15 supplemental school infrastructure amount.

16 (3) A school district that is located in whole or
17 in part in a county that voted on and approved the
18 continuation of the tax on or after April 1, 2003, the
19 local sales and services tax for school infrastructure
20 purposes shall receive an amount equal to its pro rata
21 share of the local sales and services tax receipts as
22 provided in section 422E.3, subsection 5, paragraph
23 "d", not to exceed its guaranteed school
24 infrastructure amount. However, if the school
25 district's pro rata share is less than its guaranteed
26 school infrastructure amount, the district shall
27 receive an additional amount equal to its supplemental
28 school infrastructure amount.

29 (4) The amount distributed under this paragraph
30 "b" which a school district receives shall not exceed
31 the guaranteed school infrastructure amount. A school
32 district qualifying for a supplemental school
33 infrastructure amount pursuant to this paragraph "b"
34 shall not receive more than the guaranteed school
35 infrastructure amount in any subsequent year.

36 c. In the case of a school district located in
37 more than one county, the amount to be distributed to
38 the school district shall be separately computed for
39 each county based upon the school district's actual
40 enrollment that attends school in the county.

41 3. a. The director of revenue and finance by June
42 1 preceding each fiscal year shall compute the
43 guaranteed school infrastructure amount for each
44 school district, each school district's sales tax
45 capacity per student for each county, the statewide
46 tax revenues per student, and the supplemental school
47 infrastructure amount for the coming fiscal year.

48 b. For purposes of distributions under subsection
49 2:

50 (1) "Guaranteed school infrastructure amount"

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1 means for a school district the statewide tax revenues
2 per student, multiplied by the quotient of the tax
3 rate percent imposed in the county, divided by one
4 percent and multiplied by the quotient of the number
5 of quarters the tax is imposed during the fiscal year
6 divided by four quarters.

7 (2) "Sales tax capacity per student" means for a
8 school district the estimated amount of revenues that

9 a school district receives or would receive if a local
10 sales and services tax for school infrastructure
11 purposes is imposed at one percent in the county
12 pursuant to section 422E.2, divided by the school
13 district's actual enrollment as determined in section
14 422E.3, subsection 5, paragraph "d".

15 (3) "Statewide tax revenues per student" means the
16 amount determined by estimating the total revenues
17 that would be generated by a one percent local option
18 sales and services tax for school infrastructure
19 purposes if imposed by all the counties during the
20 entire fiscal year and dividing this estimated revenue
21 amount by the sum of the combined actual enrollment
22 for all counties as determined in section 422E.3,
23 subsection 5, paragraph "d", subparagraph (2).

24 (4) "Supplemental school infrastructure amount"
25 means the guaranteed school infrastructure amount for
26 the school district less its pro rata share of local
27 sales and services tax for school infrastructure
28 purposes as provided in section 422E.3, subsection 5,
29 paragraph "d".

30 4. a. For the purposes of distribution under
31 subsection 2, paragraph "b", subparagraph (1), a
32 school district with a sales tax capacity per student
33 below its guaranteed school infrastructure amount
34 shall use the amount equal to the guaranteed school
35 infrastructure amount less the pro rata share amount
36 in accordance with section 422E.3, subsection 5,
37 paragraph "d", for the purpose of paying principal and
38 interest on outstanding bonds previously issued for
39 school infrastructure purposes as defined in section
40 422E.1, subsection 3. Any money remaining after the
41 payment of all principal and interest on outstanding
42 bonds previously issued for infrastructure purposes
43 may be used for any authorized infrastructure purpose
44 of the school district. If a majority of the voters
45 in the school district approves the use of revenue
46 pursuant to a revenue purpose statement in an election
47 held after July 1, 2003, in the school district
48 pursuant to section 422E.2, the school district may
49 use the amount for the purposes specified in its
50 revenue purpose statement.

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1 b. Nothing in this section shall prevent a school
2 district from using its sales tax capacity per student
3 or guaranteed school infrastructure amount to pay
4 principal and interest on obligations issued pursuant
5 to section 422E.4.

6 5. In the case of a deficiency in the fund to pay
7 the supplemental school infrastructure amounts in

8 full, the amount available in the fund less the sales
9 and services tax revenues for school infrastructure
10 purposes attributed to each school district should be
11 allocated based on the proportion of actual enrollment
12 in the district to the combined actual enrollment in
13 the counties where the sales and services tax for
14 school infrastructure purposes has been imposed and
15 the school districts in the counties qualify for the
16 supplemental school infrastructure amount.

17 6. A school district with less than two hundred
18 fifty actual enrollment or less than one hundred
19 actual enrollment in the high school shall not expend
20 the supplemental school infrastructure amount received
21 for new construction or for payments for bonds issued
22 for new construction against the supplemental school
23 infrastructure amount without prior application to the
24 department of education and receipt of a certificate
25 of need pursuant to this subsection. However, a
26 certificate of need is not required for the payment of
27 outstanding bonds issued for new construction pursuant
28 to section 296.1, before April 1, 2003. A certificate
29 of need is also not required for repairing
30 schoolhouses or buildings, equipment, technology, or
31 transportation equipment for transporting students as
32 provided in section 298.3, or for construction
33 necessary for compliance with the federal Americans
34 With Disabilities Act pursuant to 42 U.S.C. § 12101-
35 12117. In determining whether a certificate of need
36 shall be issued or denied, the department shall
37 consider all of the following:

- 38 a. Enrollment trends in the grades that will be
39 served at the new construction site.
- 40 b. The infeasibility of remodeling,
41 reconstructing, or repairing existing buildings.
- 42 c. The fire and health safety needs of the school
43 district.
- 44 d. The distance, convenience, cost of
45 transportation, and accessibility of the new
46 construction site to the students to be served at the
47 new construction site.
- 48 e. Availability of alternative, less costly, or
49 more effective means of serving the needs of the
50 students.

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- 1 f. The financial condition of the district,
2 including the effect of the decline of the budget
3 guarantee and unspent balance.
- 4 g. Broad and long-term ability of the district to
5 support the facility and the quality of the academic
6 program.

7 h. Cooperation with other educational entities
8 including other school districts, area education
9 agencies, postsecondary institutions, and local
10 communities.

11 Sec. 9. Section 422E.4, unnumbered paragraphs 1
12 and 2, Code 2003, are amended to read as follows:

13 The board of directors of a school district shall
14 be authorized to issue negotiable, interest-bearing
15 school bonds, without election, and utilize tax
16 receipts derived from the sales and services tax for
17 school infrastructure purposes and the supplemental
18 school infrastructure amount distributed pursuant to
19 section 422E.3A, subsection 2, paragraph "b", for
20 principal and interest repayment. Proceeds of the
21 bonds issued pursuant to this section shall be
22 utilized solely for school infrastructure needs as
23 school infrastructure is defined in section 422E.1,
24 subsection 3. Issuance of bonds pursuant to this
25 section shall be permitted only in a district which
26 has imposed a local sales and services tax for school
27 infrastructure purposes pursuant to section 422E.2.

28 The provisions of sections 298.22 through 298.24 shall
29 apply regarding the form, rate of interest,
30 registration, redemption, and recording of bond issues
31 pursuant to this section, with the exception that the
32 maximum period during which principal on the bonds is
33 payable shall not exceed ~~a ten-year period, or the~~
34 date of repeal stated on the ballot proposition.

35 A school district in which a local option sales tax
36 for school infrastructure purposes has been imposed
37 shall be authorized to enter into a chapter 28E
38 agreement with one or more cities or a county whose
39 boundaries encompass all or a part of the area of the
40 school district. A city or cities entering into a
41 chapter 28E agreement shall be authorized to expend
42 its designated portion of the local option sales and
43 services tax revenues for any valid purpose permitted
44 in this chapter or authorized by the governing body of
45 the city. A county entering into a chapter 28E
46 agreement with a school district in which a local
47 option sales tax for school infrastructure purposes
48 has been imposed shall be authorized to expend its
49 designated portion of the local option sales and
50 services tax revenues to provide property tax relief

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1 within the boundaries of the school district located
2 in the county. A school district where a local option
3 sales and services tax is imposed is also authorized
4 to enter into a chapter 28E agreement with another
5 school district, a community college, or an area

6 education agency which is located partially or
7 entirely in or is contiguous to the county where the
8 tax is imposed. The school district or community
9 college shall only expend its designated portion of
10 the local option sales and services tax for
11 infrastructure purposes. The area education agency
12 shall only expend its designated portion of the local
13 option school infrastructure sales tax for
14 infrastructure and maintenance purposes.
15 Sec. 10. NEW SECTION. 422E.6 REPEAL.
16 This chapter is repealed June 30, 2023, for fiscal
17 years beginning after that date.
18 Sec. 11. EFFECTIVE DATE. This Act, being deemed
19 of immediate importance, takes effect upon enactment."

A non-record roll call was requested.

The ayes were 45, nays 17.

Amendment H-1375 was adopted placing out of order the following amendments:

Amendment H-1227 filed by Wendt of Woodbury on April 2, 2003.

Amendment H-1278 filed by Wendt of Woodbury on April 7, 2003.

Amendment H-1286 filed by Hogg of Linn on April 8, 2003.

Amendment H-1351 filed by Tymeson of Madison on April 16, 2003.

Amendment H-1360 filed by Hogg of Linn on April 16, 2003.

SENATE FILE 445 SUBSTITUTED FOR HOUSE FILE 663

Tymeson of Madison asked and received unanimous consent to substitute Senate File 445 for House File 663.

Senate File 445, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date, was taken up for consideration.

Wendt of Woodbury offered the following amendment H-1364 filed by him and moved its adoption:

H-1364

1 Amend Senate File 445, as amended, passed, and
2 reprinted by the Senate, as follows:

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

5 "Section 1. NEW SECTION. 298.2A PHYSICAL PLANT
6 AND EQUIPMENT LEVY STATE FUND - DISTRIBUTION.

7 1. A physical plant and equipment levy state fund
8 is created as a separate and distinct fund in the
9 state treasury under the control of the department of
10 education. Moneys in the fund include revenues
11 deposited into the fund pursuant to subsection 2,
12 appropriations made to the fund, and other moneys
13 deposited into the fund. Any moneys disbursed from
14 the fund shall be used as provided in section 298.3.

15 2. For the school budget year beginning July 1,
16 2004, and for each succeeding budget year, the county
17 treasurer shall remit to the department of education
18 for deposit into the physical plant and equipment levy
19 state fund the property tax revenues received from the
20 collection during the school budget year of the
21 regular physical plant and equipment levy.

22 3. The amount deposited in the physical plant and
23 equipment levy state fund in a budget year shall be
24 distributed as follows:

25 a. A school district that imposed during the
26 budget year beginning July 1, 2003, the regular
27 physical plant and equipment levy and that has an
28 infrastructure tax capacity per student above the
29 guaranteed school infrastructure amount shall receive
30 an amount equal to the amount raised by its regular
31 physical plant and equipment levy.

32 b. (1) A school district that imposed during the
33 budget year beginning July 1, 2003, the regular
34 physical plant and equipment levy and that has an
35 infrastructure tax capacity per student below its
36 guaranteed school infrastructure amount shall receive
37 an amount equal to the amount raised by its regular
38 physical plant and equipment levy plus an amount equal
39 to its supplemental school infrastructure amount.

40 (2) A school district that did not impose during
41 but imposed after the budget year beginning July 1,
42 2003, the regular physical plant and equipment levy
43 shall receive an amount equal to the amount raised by
44 the regular physical plant and equipment levy, not to
45 exceed its guaranteed school infrastructure amount.
46 However, if the amount raised is less than its
47 guaranteed school infrastructure amount, the district
48 shall receive an additional amount equal to its
49 supplemental school infrastructure amount.

50 (3) A school district that had not imposed during

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1 the prior budget year the regular physical plant and
2 equipment levy shall receive an amount equal to the
3 amount raised by the regular physical plant and
4 equipment levy not to exceed its guaranteed school
5 infrastructure amount. However, if the amount raised
6 is less than its guaranteed school infrastructure
7 amount, the district shall receive an additional
8 amount equal to its supplemental school infrastructure
9 amount.

10 (4) The amount distributed under this paragraph
11 "b" which a school district receives shall not exceed
12 the guaranteed school infrastructure amount. A school
13 district qualifying for a supplemental school
14 infrastructure amount pursuant to this paragraph "b"
15 shall not receive more than the guaranteed school
16 infrastructure amount in any subsequent year.

17 4. a. The department of education by June 1
18 preceding each budget year shall compute the
19 guaranteed school infrastructure amount for each
20 school district, each school district's infrastructure
21 tax capacity per student, the statewide tax revenues
22 per student, and the supplemental school
23 infrastructure amount for the coming budget year.

24 b. For purposes of distributions under subsection
25 2:

26 (1) "Guaranteed school infrastructure amount"
27 means for a school district the statewide tax revenues
28 per student, multiplied by the quotient of the regular
29 physical plant and equipment levy rate per thousand
30 dollars imposed in the school district, divided by
31 thirty-three cents per thousand dollars.

32 (2) "Infrastructure tax capacity per student"
33 means for a school district the estimated amount of
34 revenues that a school district receives or would
35 receive if the regular physical plant and equipment
36 levy of thirty-three cents per thousand dollars is
37 imposed divided by the school district's actual
38 enrollment as determined in section 257.6, subsection
39 1.

40 (3) "Statewide tax revenues per student" means the
41 amount determined by estimating the total revenues
42 that would be generated by a regular physical plant
43 and equipment levy of thirty-three cents per thousand
44 dollars if imposed by all the school districts during
45 the budget year and dividing this estimated revenue
46 amount by the sum of the combined actual enrollment
47 for all school districts as determined in section
48 257.6, subsection 1.

49 (4) "Supplemental school infrastructure amount"
50 means the guaranteed school infrastructure amount for

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1 the school district less the amount raised by its
2 regular physical plant and equipment levy.
3 5. In the case of a deficiency in the fund to pay
4 the supplemental school infrastructure amounts in
5 full, the amount available in the fund less the amount
6 raised by the regular levy attributed to each school
7 district should be allocated based on the proportion
8 of actual enrollment in the district to the combined
9 actual enrollment of the school districts that qualify
10 for the supplemental school infrastructure amount.

11 6. A school district with less than two hundred
12 fifty actual enrollment or less than one hundred
13 actual enrollment in the high school shall not expend
14 the supplemental school infrastructure amount received
15 for new construction or for payments for bonds issued
16 for new construction against the supplemental school
17 infrastructure amount without prior application to the
18 department of education and receipt of a certificate
19 of need pursuant to this subsection. However, a
20 certificate of need is not required for the payment of
21 outstanding bonds issued for new construction pursuant
22 to section 296.1, before April 1, 2003. A
23 certification of need is also not required for
24 repairing schoolhouses or buildings, equipment,
25 technology, or transportation equipment for
26 transporting students as provided in section 298.3, or
27 for construction necessary for compliance with the
28 federal Americans With Disabilities Act pursuant to 42
29 U.S.C. § 12101-12117. In determining whether a
30 certificate of need shall be issued, the department
31 shall consider all of the following:

- 32 a. Enrollment trends in the grades that will be
33 served at the new construction site.
- 34 b. The infeasibility of remodeling,
35 reconstructing, or repairing existing buildings.
- 36 c. The fire and health safety needs of the school
37 district.
- 38 d. The distance, convenience, cost of
39 transportation, and accessibility of the new
40 construction site to the students to be served at the
41 new construction site.
- 42 e. Availability of alternative, less costly, or
43 more effective means of serving the needs of the
44 students.
- 45 f. Any other criteria deemed appropriate as set by
46 rules of the state board of education.
- 47 7. This section does not apply to the collection
48 and distribution of any voter-approved physical plant
49 and equipment levy."
- 50 2. Title page, line 4, by inserting after the

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- 1 word "purposes" the following: "and the regular
- 2 physical plant and equipment levies".

A non-record roll call was requested.

The ayes were 37, nays 47.

Amendment H-1364 lost.

Huser of Polk asked and received unanimous consent that amendment H-1438 be deferred.

Hogg of Linn offered the following amendment H-1376 filed by him and moved its adoption:

H-1376

- 1 Amend Senate File 445, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 1, line 9, by striking the word and
- 4 figures "December 31, 2022" and inserting the
- 5 following: "June 30, 2013".
- 6 2. Page 4, line 30, by striking the word and
- 7 figures "December 31, 2022" and inserting the
- 8 following: "June 30, 2013".
- 9 3. Page 12, line 23, by striking the figure
- 10 "2023" and inserting the following: "2013".
- 11 4. Page 12, by inserting after line 24 the
- 12 following:
- 13 "Sec. ____ NEW SECTION. 422F.1 SCHOOL
- 14 MISCELLANEOUS INCOME FUND – STATE SALES TAX REVENUES.
- 15 1. A school miscellaneous income fund is created
- 16 as a separate and distinct fund in the state treasury
- 17 under the control of the department of revenue and
- 18 finance. Moneys in the fund include revenues
- 19 appropriated to the fund as provided in subsection 2
- 20 and other moneys deposited into or appropriated to the
- 21 fund.
- 22 2. For the fiscal year beginning July 1, 2013, and
- 23 for each subsequent fiscal year, there is appropriated
- 24 from the general fund of the state to the school
- 25 miscellaneous income fund an amount equal to the
- 26 amount raised during the fiscal year by a one percent
- 27 sales tax pursuant to chapter 422, division IV.
- 28 3. The moneys in the school miscellaneous income
- 29 fund shall be distributed during the fiscal year to
- 30 each school district on a per pupil basis. The amount
- 31 per pupil shall be determined by dividing the total

32 amount in the fund by the combined actual enrollment
33 for all school districts in the state. The actual
34 enrollment for each school district is the actual
35 enrollment figures reported by October 1 to the
36 department of management by the department of
37 education pursuant to section 257.6, subsection 1.
38 The combined actual enrollment count shall be
39 forwarded to the department of revenue and finance by
40 March 1, annually, for purposes of supplying estimated
41 tax payment figures and making estimated tax payments
42 pursuant to section 422F.2 for the following fiscal
43 year.

44 Sec. ____ NEW SECTION. 422F.2 DISTRIBUTION OF
45 FUND MONEYS.

46 1. The director of revenue and finance by August
47 15 of each fiscal year shall send to each school
48 district an estimate of the amount of moneys from the
49 school miscellaneous income fund each school district
50 will receive for the year and for each month of the

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1 year. At the end of each month, the director may
2 revise the estimates for the year and remaining
3 months.

4 2. The director shall remit ninety-five percent of
5 the estimated distributions for the school district to
6 the school district on or before August 31 of the
7 fiscal year and on or before the last day of each
8 following month.

9 3. The director shall remit a final payment of the
10 remainder of distributions due for the fiscal year
11 before November 10 of the next fiscal year. If an
12 overpayment has resulted during the previous fiscal
13 year, the November payment shall be adjusted to
14 reflect any overpayment.

15 4. Moneys received by a school district pursuant
16 to this chapter may be used for any educational
17 purposes for which the school district may spend
18 moneys.

19 Sec. ____ NEW SECTION. 422F.3 EFFECTIVE DATE.
20 This chapter takes effect January 1, 2013."

21 5. Title page, line 6, by inserting after the
22 word "purposes" the following:", and providing for
23 state sales tax revenues to be used for school
24 educational purposes,".

Amendment H-1376 lost.

Tymeson of Madison offered the following amendment H-1374 filed by her and moved its adoption:

H-1374

1 Amend Senate File 445, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 1, line 22, by inserting after the word
4 "improvements" the following: "and those activities
5 for which revenues under section 298.3 or 300.2 may be
6 spent".

Amendment H-1374 was adopted.

Hogg of Linn offered the following amendment H-1377 filed by him and moved its adoption:

H-1377

1 Amend Senate File 445, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. By striking page 5, line 34, through page 6,
4 line 4, and inserting following:
5 "e. The amount of tax receipts credited to the
6 account within the secure an advanced vision for
7 education fund maintained in the name of a school
8 district shall be distributed to that school district
9 as provided in paragraphs "a", "b", and "c". Any
10 additional moneys available to the school district
11 from the fund shall be determined and distributed as a
12 supplemental school infrastructure amount as provided
13 in section 422E.3A, subsection 3."
14 2. Page 6, line 25, by inserting after the word
15 "fund." the following: "Appropriations made to the
16 fund shall be credited to a separate appropriations
17 account."
18 3. By striking page 6, line 28 through page 10,
19 line 5 and inserting the following:
20 "2. a. For purposes of the distributions in
21 subsection 3, the department of education, in
22 consultation with the departments of management and
23 revenue and finance, shall compute by June 1 preceding
24 each budget year the income surtax capacity, property
25 tax infrastructure capacity, and sales tax capacity
26 for each school district in the state even if the
27 school district is not located in whole or in part in
28 a county that has imposed the local sales and services
29 tax for school infrastructure purposes under this
30 chapter.
31 (1) "Actual enrollment for a school district"

32 means the actual enrollment as reported by October 1
33 to the department of management by the department of
34 education pursuant to section 257.6, subsection 1.

35 (2) "Income surtax capacity" means the estimated
36 amount of revenues that a school district would
37 receive if an income surtax of twenty percent was
38 imposed on the individual income tax liability for the
39 preceding calendar year of individuals residing in the
40 school district divided by the school district's
41 actual enrollment.

42 (2) "Property tax infrastructure capacity" means
43 the sum of a school district's levies under sections
44 298.2 and 298.18 when the levies are imposed to the
45 maximum extent allowable under law in the budget year
46 on property located within the school district divided
47 by the school district's actual enrollment.

48 (3) "Sales tax capacity" means the estimated
49 amount of revenues that a school district receives or
50 would receive if a local sales and services tax for

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1 school infrastructure is imposed at one percent
2 pursuant to this chapter, divided by the school
3 district's actual enrollment.

4 (4) "Tax capacity inequity" means the difference
5 between the highest total tax capacity in the state
6 and a school district's total tax capacity.

7 (5) "Total tax capacity" means the sum of a school
8 district's income surtax capacity plus property tax
9 infrastructure capacity plus sales tax capacity.

10 3. The appropriations credited in a fiscal year to
11 the appropriations account of the secure an advanced
12 vision for education fund shall be distributed as a
13 supplemental school infrastructure amount as follows:

14 a. The department of education shall compute the
15 total tax capacity and the tax capacity inequity of
16 each school district located in the state.

17 b. The department of revenue and finance, in
18 conjunction with the department of education, shall
19 distribute a supplemental school infrastructure amount
20 to each school district that has a tax capacity
21 inequity. The amount of the supplemental school
22 infrastructure amount distributed shall be an equal
23 percentage of the tax capacity inequity to each of
24 such school districts multiplied by the actual
25 enrollment for each such school district. However, a
26 school district shall not receive more than its tax
27 capacity inequity amount multiplied by its actual
28 enrollment."

29 4. Page 11, line 16, by striking the words and
30 figure "2. paragraph "b"" and inserting the following:
31 "3".

Speaker Rants in the chair at 3:00 p.m.

A non-record roll call was requested.

The ayes were 43, nays 51.

Amendment H-1377 lost.

Huser of Polk asked and received unanimous consent to withdraw amendment H-1438, previously deferred, filed by her from the floor.

Huser of Polk called up for consideration the motion to reconsider the vote by which amendment H-1374 to Senate File 445 filed by her from the floor, was adopted by the House.

A non-record roll call was requested.

The ayes were 31, nays 51.

The motion to reconsider lost.

SPECIAL PRESENTATION

Lukan of Dubuque introduced to the House the Honorable Joe Ertl former state representative from Dubuque County.

The House rose and expressed its welcome.

Shoultz of Black Hawk offered the following amendment H-1445 filed by him from the floor and moved its adoption:

H-1445

1 Amend Senate File 445, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 12, by striking lines 25 and 26 and
4 inserting the following:
5 "Sec. __. CONTINGENT EFFECTIVE DATE. This Act is
6 contingent upon and takes effect upon the date of the
7 enactment of an Act creating the Iowa values fund and

- 8 making an appropriation from that fund of \$250,000,000
 9 to the secure an advanced vision for education fund."

Amendment H-1445 lost.

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

On the question "Shall the bill pass?" (S.F. 445)

The ayes were, 67:

| | | | |
|------------------|------------------|-------------|------------|
| Alons | Arnold | Baudler | Bell |
| Bogges | Bukta | Carroll | Chambers |
| Cohoon | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greiner | Hahn | Hansen |
| Hanson | Heaton | Hoffman | Horbach |
| Huseman | Jacobs | Jenkins | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lukan | Maddox | Manternach |
| Mertz | Miller | Olson, D. | Olson, S. |
| Osterhaus | Quirk | Raecker | Rasmussen |
| Rayhons | Reasoner | Roberts | Sands |
| Schickel | Smith | Struyk | Swaim |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.R. | Watts | Whitaker |
| Wilderdyke | Wise | Mr. Speaker | |
| | | Rants | |

The nays were, 32:

| | | | |
|------------------|---------|------------|------------|
| Berry | Boal | Connors | Dandekar |
| Elgin | Fallon | Foege | Ford |
| Greimann | Heddens | Hogg | Hunter |
| Huser | Hutter | Jochum | Lensing |
| Lykam | Mascher | McCarthy | Murphy |
| Myers | Oldson | Paulsen | Petersen |
| Shoultz | Stevens | Taylor, D. | Taylor, T. |
| Van Fossen, J.K. | Wendt | Whitead | Winckler |

Absent or not voting and 1:

Boddicker

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 23, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 650, a bill for an act relating to the assessment of a correctional fee by a county or municipality, and to the prosecution of certain criminal offenses committed in a municipality located in two or more counties.

Also: That the Senate has on April 23, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate is asked:

Senate File 354, a bill for an act implementing the federal Indian Child Welfare Act.

Also: That the Senate has on April 23, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

Senate File 402, a bill for an act relating to the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses.

Also: That the Senate has on April 23, 2003, passed the following bill in which the concurrence of the Senate was asked:

Senate File 443, a bill for an act relating to criteria for community-based seed capital funds and providing a retroactive applicability date.

MICHAEL E. MARSHALL, Secretary

HOUSE FILE 399 WITHDRAWN

Lukan of Dubuque asked and received unanimous consent to withdraw House File 399 from further consideration by the House.

Speaker pro tempore Carroll in the chair at 4:30 p.m.

Unfinished Business Calendar

House File 598, a bill for an act relating to criminal sentencing by permitting a conditional discharge, reclassifying certain felonies, and reopening a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement, and providing penalties, was taken up for consideration.

Maddox of Polk asked and received unanimous consent to withdraw amendment H-1215 filed by him on April 1, 2003, placing the following amendments out of order:

Amendment H-1263 filed by Jenkins of Black Hawk on April 3, 2003.

Amendment H-1265 filed by Heaton of Henry, et al., on April 3, 2003.

Amendment H-1266 filed by Swaim of Davis on April 3, 2003.

Amendment H-1267 filed by Swaim of Davis on April 3, 2003.

Amendment H-1268 filed by Baudler of Adair on April 3, 2003.

Amendment H-1269 filed by Swaim of Davis on April 3, 2003.

Amendment H-1270 filed by Swaim of Davis on April 3, 2003.

Maddox of Polk offered the following amendment H-1358 filed by him and moved its adoption:

H-1358

1 Amend House File 598 as follows:

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

4 "Section 1. Section 124.401, subsection 1,
5 paragraph a, unnumbered paragraph 1, Code 2003, is
6 amended to read as follows:

7 Violation of this subsection, with respect to the
8 following controlled substances, counterfeit
9 substances, or simulated controlled substances is a
10 class "B" felony, and notwithstanding section 902.9,
11 subsection 2, shall be punished by confinement for no
12 more than ~~fifty~~ thirty-five years and a fine of not
13 more than one million dollars:

14 Sec. 2. Section 124.401, subsection 1, paragraph
15 a, subparagraph (2), unnumbered paragraph 1, Code
16 2003, is amended to read as follows:

17 More than five ~~kilograms~~ hundred grams of a mixture
18 or substance containing a detectable amount of any of
19 the following:

20 Sec. 3. Section 124.401, subsection 1, paragraph
21 a, subparagraph (2), subparagraph subdivisions (d) and
22 (e), Code 2003, are amended by striking the
23 subparagraph subdivisions.

24 Sec. 4. Section 124.401, subsection 1, paragraph
25 a, Code 2003, is amended by adding the following new
26 subparagraph:

27 NEW SUBPARAGRAPH. (7) More than five kilograms of
28 a mixture or substance containing a detectable amount
29 of any of the following:

30 (a) Methamphetamine, its salts, isomers, or salts
31 of isomers.

32 (b) Amphetamine, its salts, isomers, and salts of
33 isomers.

34 (c) Any compound, mixture, or preparation which
35 contains any quantity of any of the substances
36 referred to in subparagraph subdivisions (a) and (b).

37 Sec. 5. Section 124.401, subsection 1, paragraph
38 b, subparagraph (2), unnumbered paragraph 1, Code
39 2003, is amended to read as follows:

40 More than ~~five~~ one hundred grams but not more than
41 ~~five kilograms~~ hundred grams of any of the following:

42 Sec. 6. Section 124.401, subsection 1, paragraph
43 b, subparagraph (3), Code 2003, is amended to read as
44 follows:

45 (3) More than ~~five~~ ten grams but not more than
46 fifty grams of a mixture or substance described in
47 subparagraph (2) which contains cocaine base.

48 Sec. 7. Section 124.401, subsection 1, paragraph
49 c, subparagraph (2), unnumbered paragraph 1, Code
50 2003, is amended to read as follows:

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1 ~~Five~~ One hundred grams or less of any of the
2 following:

3 Sec. 8. Section 124.401, subsection 1, paragraph
4 c, subparagraph (3), Code 2003, is amended to read as
5 follows:

6 (3) ~~Five~~ Ten grams or less of a mixture or
7 substance described in subparagraph (2) which contains
8 cocaine base.

9 Sec. 9. Section 124.413, unnumbered paragraph 1,
10 Code 2003, is amended to read as follows:

11 A person sentenced pursuant to section 124.401,
12 subsection 1, paragraph "a", "b", "c", "d", or "f",
13 shall not be eligible for parole until the person has
14 served a minimum period of confinement of one-third of
15 the maximum indeterminate sentence prescribed by law.

16 Sec. 10. Section 229A.8A, subsection 4, Code 2003,
17 is amended to read as follows:

18 4. For purposes of registering as a sex offender
19 under chapter 692A, a person placed in the
20 transitional release program shall be ~~classified a~~
21 ~~"high-risk" sex offender and~~ required to register and
22 public notification shall be as provided in section
23 ~~692A.13A, subsection 2~~ 692A.13. A committed person
24 who refuses to register as a sex offender is not
25 eligible for placement in a transitional release
26 program.

27 Sec. 11. Section 692A.2A, subsections 2 and 3,
28 Code 2003, are amended to read as follows:

29 2. A person shall not reside within ~~two~~ one
30 thousand three hundred twenty feet of the real
31 property comprising a public or nonpublic elementary
32 or secondary school or a child care facility.
33 3. A person who resides within ~~two~~ one thousand
34 three hundred twenty feet of the real property
35 comprising a public or nonpublic elementary or
36 secondary school, or a child care facility, commits an
37 aggravated misdemeanor.
38 Sec. 12. Section 692A.2A, subsection 4, unnumbered
39 paragraph 1, Code 2003, is amended to read as follows:
40 A person residing within ~~two~~ one thousand three
41 hundred twenty feet of the real property comprising a
42 public or nonpublic elementary or secondary school or
43 a child care facility does not commit a violation of
44 this section if any of the following apply:
45 Sec. 13. Section 692A.5, subsection 1, paragraph
46 h, Code 2003, is amended to read as follows:
47 h. Inform the person, if the person's residency is
48 restricted under section 692A.2A, that the person
49 shall not reside within ~~two~~ one thousand three hundred
50 twenty feet of the real property comprising a public

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1 or nonpublic elementary or secondary school, or a
2 child care facility.
3 Sec. 14. Section 692A.13, Code 2003, is amended by
4 striking the section and inserting in lieu thereof the
5 following:
6 692A.13 AVAILABILITY OF RECORDS.
7 1. The department may provide relevant information
8 from the sex offender registry to the following:
9 a. A criminal or juvenile justice agency, an
10 agency of the state, any sex offender registry of
11 another state, or the federal government.
12 b. The general public through the sex offender
13 registry's web page.
14 c. The single contact repository established
15 pursuant to section 135C.33, in accordance with the
16 rules adopted by the department.
17 2. A criminal or juvenile justice agency may
18 provide relevant information from the sex offender
19 registry to the following:
20 a. A criminal or juvenile justice agency, an
21 agency of the state, or any sex offender registry of
22 another state, or the federal government.
23 b. The general public, including public and
24 private agencies, organizations, public places, public
25 and private schools, child care facilities, religious
26 and youth organizations, neighbors, neighborhood
27 associations, community meetings, and employers.

28 Registry information may be distributed to the public
29 through printed materials, visual or audio press
30 releases, or through a criminal or juvenile justice
31 agency's web page.

32 3. Any member of the public may contact a county
33 sheriff's office or police department to request
34 relevant information from the registry regarding a
35 specific person required to register under this
36 chapter. The request for information shall be in
37 writing, and shall include the name of the person and
38 at least one of the following identifiers pertaining
39 to the person about whom the information is sought:
40 a. The date of birth of the person.
41 b. The social security number of the person.
42 c. The address of the person.

43 The request for information is a confidential
44 record under chapter 22 and is not subject to
45 dissemination.

46 4. A county sheriff shall also provide to any
47 person upon request access to a list of all
48 registrants in that county. However, records of a
49 person protected under 18 U.S.C. 3521 shall not be
50 disclosed.

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1 5. Relevant information provided to the general
2 public may include the offender's name, address, a
3 photograph, locations frequented by the offender,
4 relevant criminal history information from the
5 registry, and any other relevant information.
6 Relevant information provided to the public shall not
7 include the identity of any victim.

8 6. Notwithstanding sections 232.147 through
9 232.151, records concerning convictions which are
10 committed by a minor may be released in the same
11 manner as records of convictions of adults.

12 Sec. 15. Section 901.4, Code 2003, is amended to
13 read as follows:

14 901.4 PRESENTENCE INVESTIGATION REPORT
15 CONFIDENTIAL – DISTRIBUTION.

16 The presentence investigation report is
17 confidential and the court shall provide safeguards to
18 ensure its confidentiality, including but not limited
19 to sealing the report, which may be opened only by
20 further court order. At least three days prior to the
21 date set for sentencing, the court shall serve all of
22 the presentence investigation report upon the
23 defendant's attorney and the attorney for the state,
24 and the report shall remain confidential except upon
25 court order. However, the court may conceal the
26 identity of the person who provided confidential

27 information. The report of a medical examination or
28 psychological or psychiatric evaluation shall be made
29 available to the attorney for the state and to the
30 defendant upon request. The reports are part of the
31 record but shall be sealed and opened only on order of
32 the court. If the defendant is committed to the
33 custody of the Iowa department of corrections and is
34 not a class "A" felon, a copy of the presentence
35 investigation report shall be forwarded to the
36 director with the order of commitment by the clerk of
37 the district court and to the board of parole at the
38 time of commitment. The presentence investigation
39 report may also be released by the department of
40 corrections or a judicial district department of
41 correctional services pursuant to section 904.602 to
42 another jurisdiction for the purpose of providing
43 interstate probation and parole compact services or
44 evaluations. The defendant or the defendant's
45 attorney may file with the presentence investigation
46 report, a denial or refutation of the allegations, or
47 both, contained in the report. The denial or
48 refutation shall be included in the report. If the
49 person is sentenced for an offense which requires
50 registration under chapter 692A, the court shall

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1 release the report to the department ~~which is~~
2 ~~responsible under section 692A.13A for performing the~~
3 ~~assessment of risk of public safety.~~

4 Sec. 16. Section 901.5, subsection 13, Code 2003,
5 is amended by striking the subsection.

6 Sec. 17. NEW SECTION. 901.5B REOPENING OF
7 SENTENCE FOR PERSONS SERVING SENTENCE SUBJECT TO
8 MAXIMUM ACCUMULATION OF EARNED TIME OF FIFTEEN
9 PERCENT.

10 1. A defendant serving a sentence under section
11 902.12 prior to the effective date of this Act, who is
12 sentenced by the court to the custody of the director
13 of the department of corrections, may have the
14 judgment and sentence reopened for resentencing if all
15 of the following apply:

16 a. The county attorney from the county which
17 prosecuted the defendant files a motion in the
18 sentencing court to reopen the sentence of the
19 defendant. The county attorney shall notify the
20 victim pursuant to section 915.13 of the filing of the
21 motion. The motion shall specify that the county
22 attorney has informed the victim about the filing of
23 the motion, and that the victim has thirty days from
24 the date of the filing of the motion to file a written
25 objection with the court.

26 b. No written objection is filed or if a written
27 objection is filed, and upon hearing the court grants
28 the motion.
29 2. Upon the court granting the motion to reopen
30 the sentence, the court shall order that the defendant
31 be eligible for consideration of parole or work
32 release in the same manner as a defendant serving a
33 sentence under section 902.12.
34 3. For purposes of calculating earned time under
35 section 903A.2, the sentencing date for a defendant
36 whose sentence has been reopened under this section
37 shall be the date of the original sentencing order.
38 4. The filing of a motion or reopening of a
39 sentence under this section shall not constitute
40 grounds to stay any other court proceedings, or to
41 toll or restart the time for filing of any posttrial
42 motion or any appeal.
43 Sec. 18. Section 902.11, unnumbered paragraph 1,
44 Code 2003, is amended to read as follows:
45 A person serving a sentence for conviction of a
46 felony, ~~other than a forcible felony under section~~
47 ~~902.12~~, who has a criminal record of one or more prior
48 convictions for a forcible felony or a crime of a
49 similar gravity in this or any other state, shall be
50 denied parole or work release unless the person has

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1 served at least one-half of the maximum term of the
2 defendant's sentence. However, the mandatory sentence
3 provided for by this section does not apply if either
4 of the following apply:
5 Sec. 19. Section 902.12, unnumbered paragraph 1,
6 Code 2003, is amended to read as follows:
7 ~~Except as otherwise provided in section 903A.2, a~~ A
8 person serving a sentence for conviction of the
9 following forcible felonies shall ~~serve one hundred~~
10 ~~percent of the maximum term of the person's sentence~~
11 ~~and shall not be released on~~ be denied parole or work
12 release unless the person has served at least seven-
13 tenths of the maximum term of the person's sentence:
14 Sec. 20. Section 902.12, subsection 5, unnumbered
15 paragraph 2, Code 2003, is amended to read as follows:
16 ~~Except as otherwise provided in section 903A.2, a~~
17 ~~person serving a sentence for conviction under~~
18 6. Vehicular homicide in violation of section
19 707.6A, subsection 1 or 2, shall serve one hundred
20 percent of the maximum term of the person's sentence
21 ~~and shall not be released on parole or work release if~~
22 the person was also convicted under section 321.261,
23 subsection 3, based on the same facts or event that
24 resulted in the conviction under section 707.6A,

25 subsection 1 or 2.

26 Sec. 21. Section 903.4, Code 2003, is amended to
27 read as follows:

28 **903.4 PROVIDING PLACE OF CONFINEMENT.**

29 All persons sentenced to confinement for a period
30 of one year or less shall be confined in a place to be
31 furnished by the county where the conviction was had
32 unless the person is presently committed to the
33 custody of the director of the Iowa department of
34 corrections, in which case the provisions of section
35 901.8 apply, ~~or unless the person is serving a~~
36 ~~determinate term of confinement of one year pursuant~~
37 ~~to section 902.3A.~~ All persons sentenced to
38 confinement for a period of more than one year shall
39 be committed to the custody of the director of the
40 Iowa department of corrections to be confined in a
41 place to be designated by the director and the cost of
42 the confinement shall be borne by the state. The
43 director may contract with local governmental units
44 for the use of detention or correctional facilities
45 maintained by the units for the confinement of such
46 persons.

47 Sec. 22. Section 905.6, Code 2003, is amended by
48 adding the following new subsection:

49 **NEW SUBSECTION. 9.** Notify the board of parole,
50 thirty days prior to release, of the release from a

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1 residential facility operated by the district
2 department of a person serving a sentence under
3 section 902.12.

4 Sec. 23. **NEW SECTION. 905.11 RESIDENTIAL**
5 **FACILITY RESIDENCY – MINIMUM.**

6 A person who is serving a sentence under section
7 902.12, the maximum term of which exceeds ten years,
8 and who is released on parole or work release shall
9 reside in a residential facility operated by the
10 district department for a period of not less than one
11 year.

12 Sec. 24. Section 906.4, Code 2003, is amended by
13 adding the following new unnumbered paragraph after
14 unnumbered paragraph 1:

15 **NEW UNNUMBERED PARAGRAPH.** A person on parole or
16 work release who is serving a sentence under section
17 902.12 shall begin parole or work release in a
18 residential facility operated by a judicial district
19 department of correctional services.

20 Sec. 25. Section 907.3, subsection 1, paragraph m,
21 Code 2003, is amended by striking the paragraph.

22 Sec. 26. Section 907.3, subsection 2, paragraph g,
23 Code 2003, is amended by striking the paragraph.

24 Sec. 27. Section 907.3, subsection 3, paragraph g,
25 Code 2003, is amended by striking the paragraph.
26 Sec. 28. Section 915.13, subsection 1, Code 2003,
27 is amended by adding the following new paragraph:
28 NEW PARAGRAPH. h. The filing of a motion to
29 reopen a sentence of a defendant pursuant to section
30 901.5B. Notwithstanding section 915.10, the notice
31 shall be served by certified mail. Notice shall
32 include the scheduled date, time, and place of any
33 hearing to reopen a sentence and that the victim has
34 thirty days from the date of the service of the motion
35 to file a written objection with the court.
36 Sec. 29. Sections 692A.13A and 902.3A, Code 2003,
37 are repealed.
38 Sec. 30. APPLICABILITY OF AVAILABLE RECORDS IN THE
39 SEX OFFENDER REGISTRY. Section 692A.13, as amended by
40 this Act, shall apply retroactively to all offenders
41 on the registry.
42 Sec. 31. EFFECTIVE DATE. The section of this Act
43 amending section 692A.13, being deemed of immediate
44 importance, takes effect upon enactment."
45 2. Title page, by striking lines 1 through 5 and
46 inserting the following: "An Act relating to the
47 criminal sentencing and procedure by modifying the
48 penalties for certain offenses related to controlled
49 substances, modifying dissemination of sex offender
50 registry information and residence restrictions for a

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1 sex offender, repealing certain determinate sentences,
2 changing the parole and work release eligibility of a
3 person serving a sentence that requires a maximum
4 accumulation of earned time credits of fifteen percent
5 of the total term of confinement and by permitting the
6 reopening of such a sentence, providing a penalty, and
7 providing an effective date."

Amendment H-1358 was adopted.

SENATE FILE 422 SUBSTITUTED FOR HOUSE FILE 598

Maddox of Polk asked and received unanimous consent to substitute Senate File 422 for House File 598.

Senate File 422, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, modifying dissemination of sex offender registry information and residence restrictions for a sex

offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date, was taken up for consideration.

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Boddicker of Cedar on request of Gipp of Winneshiek.

Maddox of Polk offered amendment H-1357 filed by him as follows:

H-1357

- 1 Amend Senate File 422, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 1, by striking lines 1 through 9.
- 4 2. By striking page 2, line 13, through page 6,
- 5 line 3.
- 6 3. By striking page 6, line 6, through page 7,
- 7 line 31.
- 8 4. Page 8, by striking lines 15 through 34.
- 9 5. Page 9, by striking lines 6 through 14.
- 10 6. Page 9, by striking line 15, and inserting the
- 11 following:
- 12 "Sec. ____ Section 902.3A, Code 2003, is".
- 13 7. Page 9, by striking lines 17 through 22.
- 14 8. Title page, by striking lines 3 through 10 and
- 15 inserting the following: "controlled substances and
- 16 repealing certain determinate sentences."
- 17 9. By renumbering as necessary.

Baudler of Adair offered amendment H-1381, to amendment H-1357, as follows:

H-1381

- 1 Amend the amendment, H-1357, to Senate File 422, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:
- 4 1. Page 1, by inserting after line 2 the
- 5 following:
- 6 " ____ Page 1, by inserting before line 1 the
- 7 following:

8 "Sec.____. Section 124.212, subsection 5,
9 unnumbered paragraph 1, Code 2003, is amended to read
10 as follows:
11 Unless specifically excepted in paragraph "b" or
12 "e", or listed in another schedule, any material,
13 compound, mixture, or preparation which contains any
14 quantity of the following substance, including its
15 salts, optical isomers, and salts of such optical
16 isomers:
17 Sec.____. Section 124.212, subsection 5, Code
18 2003, is amended by adding the following new paragraph
19 after paragraph a:
20 NEW PARAGRAPH. aa. Any dietary supplement if the
21 dietary supplement is a naturally occurring ephedrine
22 alkaloid or associated salts, isomers, salts of
23 isomers, or a combination of these substances that are
24 contained in a matrix of organic material.
25 Sec.____. Section 124.212, subsection 5, paragraph
26 c, Code 2003, is amended by striking the paragraph.""
27 2. Page 1, line 15, by striking the word "and"
28 and inserting the following: ", modifying schedule V
29 controlled substances, and".

Fallon of Polk rose on a point of order that amendment H-1381 was not germane, to amendment H-1357.

The Speaker ruled the point well taken and amendment H-1381 not germane to amendment H-1357.

Fallon of Polk offered the following amendment H-1405, to amendment H-1357, filed by him and moved its adoption:

H-1405

1 Amend the amendment, H-1357, to Senate File 422, as
2 amended, passed, and reprinted by the Senate as
3 follows:
4 1. Page 1, by inserting after line 3 the
5 following:
6 "____. Page 1, line 13, by striking the words
7 "five kilograms hundred grams" and inserting the
8 following: "five kilograms one kilogram".
9 _____. Page 1, by inserting after line 18 the
10 following:
11 "Sec.____. Section 124.401, subsection 1,
12 paragraph a, subparagraph (3), Code 2003, is amended
13 to read as follows:
14 (3) More than fifty one hundred grams of a mixture
15 or substance described in subparagraph (2) which
16 contains cocaine base."

- 17 ____ Page 1, lines 33 and 34, by striking the
18 words "five kilograms hundred grams" and inserting the
19 following: "five kilograms one kilogram".
20 ____ Page 2, line 2, by striking the word "fifty"
21 and inserting the following: "fifty one hundred".
22 2. By renumbering as necessary.

Amendment H-1405 lost.

Heaton of Henry offered amendment H-1437, to amendment H-1357, filed by Heaton, Horbach of Tama and Shoultz of Black Hawk, from the floor as follows:

H-1437

- 1 Amend the amendment, H-1357, to Senate File 422, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, by inserting after line 3 the
5 following:
6 "____ Page 2, by inserting after line 12, the
7 following:
8 "Sec. ____ NEW SECTION. 321J.2C PERSONS FOUND
9 NOT GUILTY.
10 1. Notwithstanding any other provision of this
11 chapter to the contrary, if any prosecution for a
12 violation of section 321J.2 or 321J.2A does not result
13 in a conviction, and the defendant's driver's license
14 or nonresident operating privilege has been revoked
15 under section 321J.12 for the occurrence from which
16 the arrest arose, the department shall, upon receipt
17 of the court order finding the defendant not guilty,
18 immediately rescind the revocation order and reinstate
19 the defendant's license.
20 2. Notwithstanding section 321.12 or any other
21 provision of chapter 321 or 321J to the contrary, the
22 director shall immediately destroy any operating
23 records pertaining to a revocation under section
24 321J.12 for the occurrence from which an arrest arose
25 when the defendant was subsequently prosecuted and
26 found not guilty upon receipt of the court order
27 finding the defendant not guilty."
28 2. Page 1, by inserting after line 13 the
29 following:
30 "____ Title page, line 1, by inserting before the
31 word "procedure" the following: "administrative".
32 3. Page 1, line 15 by inserting after the word
33 "substances" the following: ", by reinstating a
34 driver's license upon a finding of not guilty in an
35 operating-while-intoxicated offense,".

Baudler of Adair rose on a point of order that amendment H-1437 was not germane, to amendment H-1357.

The Speaker ruled the point well taken and amendment H-1437 not germane, to amendment H-1357.

Heaton of Henry moved to suspend the rules to consider amendment H-1437.

A non-record roll call was requested.

The ayes were 52, nays 38.

The motion to suspend the rules prevailed.

Heaton of Henry moved the adoption of amendment H-1437 to amendment H-1357.

A non-record roll call was requested.

The ayes were 53, nays 38.

Amendment H-1437 was adopted.

Swaim of Davis asked and received unanimous consent to withdraw amendment H-1434 to amendment H-1357 filed by him from the floor.

Maddox of Polk offered the following amendment H-1409, to amendment H-1357, filed by him from the floor and moved its adoption:

H-1409

- 1 Amend the amendment, H-1357, to Senate File 422, as
- 2 amended, passed, and reprinted by the Senate as
- 3 follows:
- 4 1. Page 1, by inserting after line 5, the
- 5 following:
- 6 "___ Page 6, line 10, by striking the words
- 7 "prior to the effective date of this Act,".
- 8 ___ Page 6, line 24, by striking the word "Upon"
- 9 and inserting the following: "Notwithstanding section

- 10 902.12, upon".
11 ____ Page 6, lines 26 and 27, by striking the
12 words "in the same manner as a defendant serving a
13 sentence under section 902.12".
14 ____ Page 6, line 31, by inserting after the word
15 "order" the following: ", and the reopening of the
16 sentence does not change the manner in which earned
17 time is calculated pursuant to section 903A.2".
18 2. Page 1, by striking lines 6 and 7, and
19 inserting the following:
20 "____ Page 7, by striking lines 1 through 31."
21 3. Page 1, by striking line 9.
22 4. Page 1, line 15, by inserting after the word
23 "substances" the following: "by permitting the
24 reopening of certain sentences,".

Amendment H-1409 was adopted.

Maddox of Polk offered the following amendment H-1441, to amendment H-1357, filed by him from the floor and moved its adoption:

H-1441

- 1 Amend the amendment, H-1357, to Senate File 422, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, by inserting after line 9 the
5 following:
6 "____ Page 9, by inserting before line 15, the
7 following:
8 "Sec. ____ Section 915.14, Code 2003, is amended
9 to read as follows:
10 915.14 NOTIFICATION BY CLERK OF THE DISTRICT
11 COURT.
12 The clerk of the district court shall notify a
13 registered victim of all dispositional orders of the
14 case in which the victim was involved and may advise
15 the victim of any other orders regarding custody or
16 confinement. If a motion to reopen the sentence has
17 been filed pursuant to section 901.5B, the clerk of
18 the district court shall notify a registered victim of
19 the case in which the victim was involved. The notice
20 shall include the scheduled date, time, and place of
21 the hearing, and the clerk shall notify the victim of
22 a cancellation or postponement of any hearing
23 regarding the motion to reopen."
24 2. By renumbering as necessary.

Amendment H-1441 was adopted.

On motion by Maddox of Polk, amendment H-1357, as amended, was adopted.

Speaker Rants in the chair at 6:32 p.m.

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

On the question "Shall the bill pass?" (S.F. 422)

The ayes were, 72:

| | | | |
|------------|------------|------------|-------------|
| Arnold | Berry | Boal | Bogges |
| Bukta | Carroll | Cphoon | Connors |
| De Boef | Dennis | Dix | Drake |
| Elgin | Foege | Ford | Freeman |
| Frevort | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | Miller | Murphy |
| Myers | Oldson | Olson, S. | Osterhaus |
| Petersen | Quirk | Raecker | Rasmussen |
| Roberts | Sands | Shoultz | Smith |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Upmeyer | Watts | Wendt | Whitead |
| Wilderdyke | Winckler | Wise | Mr. Speaker |
| | | | Rants |

The nays were, 26:

| | | | |
|------------------|----------|-----------|------------------|
| Alons | Baudler | Bell | Chambers |
| Dandekar | Davitt | Dolecheck | Eichhorn |
| Fallon | Gaskill | Huser | Hutter |
| McCarthy | Mertz | Olson, D. | Paulsen |
| Rayhons | Reasoner | Schickel | Stevens |
| Struyk | Tjepkes | Tymeson | Van Fossen, J.K. |
| Van Fossen, J.R. | Whitaker | | |

Absent or not voting, 2:

| | |
|-----------|------------------|
| Boddicker | Van Engelenhoven |
|-----------|------------------|

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

SENATE MESSAGE CONSIDERED

Senate File 443, by committee on ways and means, a bill for an act relating to criteria for community-based seed capital funds and providing a retroactive applicability date.

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 422** be immediately messaged to the Senate.

Appropriations Calendar

House File 672, a bill for an act relating to the regulation of adult day services, providing for appropriations and penalties, and providing an effective date, was taken up for consideration.

Upmeyer of Hancock offered the following amendment H-1408 filed by her from the floor and moved its adoption:

H-1408

- 1 Amend House File 672 as follows:
- 2 1. Page 1, by inserting after line 9, the
- 3 following:
- 4 "___ "Department" means the department of elder
- 5 affairs created in chapter 231."
- 6 2. Page 1, by striking lines 19 through 21.
- 7 3. Page 1, by striking lines 23 through 28, and
- 8 inserting the following: "recognized accrediting
- 9 entity that the department recognizes as having
- 10 specific adult day services program standards
- 11 equivalent to the standards established by the
- 12 department for adult day services."
- 13 4. Page 2, by striking line 7, and inserting the
- 14 following: "appeals".
- 15 5. Page 2, by striking lines 9 and 10, and
- 16 inserting the following:
- 17 "3. The department shall establish, by".
- 18 6. Page 2, by striking lines 13 through 15, and
- 19 inserting the following: "related to adult day

20 services programs. The department, in establishing
21 standards for adult".

22 7. Page 2, line 20, by inserting after the word
23 "with" the following: "the department of inspections
24 and appeals and".

25 8. Page 2, by striking lines 24 through 26, and
26 inserting the following: "adult day services
27 programs, the department in consultation with the
28 department of inspections and appeals and affected
29 industry, professional, and".

30 9. Page 2, by striking lines 31 and 32, and
31 inserting the following:

32 "5. The department may establish by".

33 10. Page 3, by striking lines 14 through 16, and
34 inserting the following: "comply with the rules
35 adopted by the department for an adult day services
36 program."

37 11. Page 4, line 1, by striking the words
38 "political subdivision" and inserting the following:
39 "governmental unit".

40 12. Page 4, by striking lines 7 and 8, and
41 inserting the following:

42 "5. The department shall adopt rules".

43 13. Page 4, line 13, by inserting after the word
44 "with" the following: "the department of inspections
45 and appeals and".

46 14. By striking page 4, line 24 through page 5,
47 line 7 and inserting the following:

48 "2. a. The department of inspections and appeals
49 shall collect adult day services certification fees.

50 The fees shall be deposited in the general fund of the

Page 2

1 state.

2 b. The following certification and related fees
3 shall apply to adult day services programs:

4 (1) For a two-year initial certification, seven
5 hundred fifty dollars.

6 (2) For a two-year recertification, one thousand
7 dollars.

8 (3) For a blueprint review, nine hundred dollars.

9 (4) For an optional preliminary plan review, five
10 hundred dollars."

11 15. Page 8, line 8, by striking the words "of
12 elder affairs".

13 16. Page 10, line 26, by inserting after the word
14 "the" the following: "department of elder affairs and
15 the".

16 17. Page 11, by striking lines 11 through 23, and
17 inserting the following: "fire marshal shall be
18 deposited in the general fund of the state."

- 19 18. Title page, line 2, by striking the words
 20 "appropriations and".
 21 19. By renumbering as necessary.

Amendment H-1408 was adopted.

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

On the question "Shall the bill pass?" (H.F. 672)

The ayes were, 97:

| | | | |
|------------------|------------|------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boggess | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jacobs | Jenkins |
| Jochum | Jones | Klemme | Kramer |
| Kuhn | Kurtenbach | Lalk | Lensing |
| Lukan | Lykam | Maddox | Manternach |
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Osterhaus | Paulsen | Petersen |
| Quirk | Raecker | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wendt | Whitaker |
| Whitead | Wilderdyke | Winckler | Wise |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, none.

Absent or not voting, 3:

| | | |
|-----------|--------|------------------|
| Boddicker | Hansen | Van Engelenhoven |
|-----------|--------|------------------|

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

HOUSE FILE 596 WITHDRAWN

Upmeyer of Hancock asked and received unanimous consent to withdraw House File 596 from further consideration by the House.

Ways and Means Calendar

House File 668, a bill for an act creating a university-based research utilization program, providing tax credits, and making appropriations, was taken up for consideration.

Jenkins of Black Hawk offered the amendment H-1400 filed by him as follows:

H-1400

1 Amend House File 668 as follows:

2 1. Page 1, line 33, by inserting after the word
3 "department." the following: "The plan shall include
4 information concerning the applicant's Iowa employment
5 goals and projected impact on the Iowa economy. The
6 department shall only approve plans showing sufficient
7 potential impact on Iowa employment and economic
8 development."

9 2. Page 1, by inserting after line 35 the
10 following:

11 "d. The applicant provides annual reports to the
12 department that include employment statistics for the
13 applicant and the total taxable wages paid to Iowa
14 employees and reported to the department of revenue
15 and finance pursuant to section 422.16."

16 3. By striking page 2, line 34, through page 3,
17 line 14, and inserting the following:

18 "a. Review the information provided by the
19 department of revenue and finance pursuant to this
20 subsection and the annual report submitted by the
21 applicant pursuant to subsection 2, paragraph "d". If
22 the department determines that the business activities
23 of the applicant are not providing the benefits to
24 Iowa employment and economic development projected in
25 the applicant's approved five-year business plan, the
26 department shall not issue tax credit certificates for
27 that year to the applicant or university employee and
28 shall determine any related university share to be
29 equal to zero for that year.

30 b. Effective for the fiscal year beginning July 1,
31 2004, and for subsequent fiscal years, issue a tax
32 credit certificate to the approved business and the
33 university employee responsible for the development of
34 the technology utilized by the approved business in an

35 amount determined pursuant to subsection 5."
36 4. Page 3, line 15, by striking the letter "b."
37 and inserting the following: "c."
38 5. Page 3, line 19, by inserting after the word
39 "developed," the following: "A university share shall
40 not exceed two hundred twenty-five thousand dollars
41 per year per technology utilized. For each technology
42 utilized, the aggregate university share over a five-
43 year period shall not exceed six hundred thousand
44 dollars."
45 6. Page 3, line 32, by inserting after the word
46 "business," the following: "The value of a
47 certificate issued to an approved business shall not
48 exceed two hundred twenty-five thousand dollars. The
49 total aggregate value of certificates issued over a
50 five-year period to an approved business shall not

Page 2

1 exceed six hundred thousand dollars."
2 7. Page 4, line 6, by inserting after the word
3 "technology," the following: "Each year, the total
4 value of a certificate or certificates issued for a
5 utilized technology shall not exceed seventy-five
6 thousand dollars. For each technology utilized, the
7 total aggregate value of certificates issued over a
8 five-year period to the university employee
9 responsible for the development of the technology
10 shall not exceed two hundred thousand dollars."

Jenkins of Black Hawk offered the following amendment H-1410, to amendment H-1400, filed by him from the floor and moved its adoption:

H-1410

1 Amend the amendment, H-1400, to House File 668 as
2 follows:
3 1. Page 1, line 35, by inserting after the figure
4 "5," the following: "A tax credit certificate shall
5 contain the taxpayer's name, address, tax
6 identification number, the amount of the tax credit,
7 and other information required by the department of
8 revenue and finance."

Amendment H-1410 was adopted.

Hogg of Linn offered the following amendment H-1436, to amendment H-1400, filed by him from the floor and moved its adoption:

H-1436

1 Amend the amendment, H-1400, to House File 668 as
2 follows:

3 1. Page 1, by inserting after line 44 the
4 following:

5 "___ Page 3, by inserting after line 25 the
6 following:

7 "c. For the fiscal year beginning July 1, 2004,
8 not more than two million dollars worth of
9 certificates shall be issued pursuant to paragraph
10 "b". For the fiscal year beginning July 1, 2005, and
11 every fiscal year thereafter, not more than ten
12 million dollars worth of certificates shall be issued
13 pursuant to paragraph "b"."

Amendment H-1436 was adopted.

On motion by Jenkins of Black Hawk amendment H-1400, as amended, was adopted placing out of order amendment H-1435 filed by Hogg of Linn from the floor.

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

On the question "Shall the bill pass?" (H.F. 668)

The ayes were, 94:

| | | | |
|-----------|------------|-----------|------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boggess | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Ford | Freeman | Frevert |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Huser | Hutter |
| Jacobs | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Miller | Murphy | Myers |
| Oldson | Olson, D. | Olson, S. | Osterhaus |
| Paulsen | Petersen | Quirk | Raecker |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Shoultz | Smith |

| | | | |
|------------------|------------------|------------|------------|
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rants | | |

The nays were, 1:

Fallon

Absent or not voting, 5:

| | | | |
|------------------|--------|--------|---------|
| Boddicker | Foegel | Hansen | Stevens |
| Van Engelenhoven | | | |

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 23, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 225, a bill for an act modifying workers' compensation laws and providing an effective date.

Also: That the Senate has on April 23, 2003, passed the following bill in which the concurrence of the House is asked:

Senate File 451, a bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

MICHAEL E. MARSHALL, Secretary

Ways and Means Calendar

House File 687, a bill for an act providing a sales and use tax exemption for soy-based railroad rail lubricants, was taken up for consideration.

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

On the question "Shall the bill pass?" (H.F. 687)

The ayes were, 89:

| | | | |
|------------------|------------|------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Bogess | Bukta |
| Carroll | Chambers | Cohoon | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Eichhorn | Elgin |
| Ford | Freeman | Frevert | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Myers |
| Oldson | Olson, D. | Olson, S. | Osterhaus |
| Paulsen | Petersen | Quirk | Raecker |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Shoultz | Smith |
| Stevens | Struyk | Swaim | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wendt | Whitaker |
| Whitead | Wilderdyke | Winckler | Wise |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, 7:

| | | | |
|---------|------------|------------|--------|
| Connors | Fallon | Gaskill | Hunter |
| Murphy | Taylor, D. | Taylor, T. | |

Absent or not voting, 4:

| | | | |
|-----------|-------|--------|------------------|
| Boddicker | Foege | Hansen | Van Engelenhoven |
|-----------|-------|--------|------------------|

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

HOUSE FILE 645 WITHDRAWN

Drake of Pottawattamie asked and received unanimous consent to withdraw House File 645 from further consideration by the House.

HOUSE FILES 262, 571 and 663 WITHDRAWN

Tymeson of Madison asked and received unanimous consent to withdraw House Files 262, 571 and 663 from further consideration by the House.

SENATE AMENDMENT CONSIDERED

Heaton of Henry called up for consideration **House File 560**, a bill for an act relating to medical assistance home and community-based services waivers, amended by the Senate, and moved that the House concur in the following Senate amendment H-1368:

H-1368

- 1 Amend House File 560, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, by striking lines 3 through 10, and
- 4 inserting the following:
- 5 "NEW SUBSECTION. 6. a. Effective July 1, 2003,
- 6 the provisions of the home and community-based
- 7 services waiver for persons with mental retardation
- 8 shall include adult day care, prevocational, and
- 9 transportation services. Transportation shall be
- 10 included as a separately payable service.
- 11 b. The department of human services shall seek
- 12 federal approval to amend the home and community-based
- 13 services waiver for persons with mental retardation to
- 14 include day habilitation services. Inclusion of day
- 15 habilitation services in the waiver shall take effect
- 16 upon receipt of federal approval and no later than
- 17 July 1, 2004.
- 18 c. The person's county of legal settlement shall
- 19 pay for the nonfederal share of the cost of services
- 20 provided under the waiver and the state shall pay for
- 21 the nonfederal share of such costs if the person does
- 22 not have a county of legal settlement."
- 23 2. Page 1, by inserting after line 23, the
- 24 following:
- 25 "Sec. ____ REIMBURSEMENT - REVIEW - RATE
- 26 LIMITATIONS.
- 27 1. The department of human services shall review
- 28 the reimbursement methodology for the home and
- 29 community-based services waiver for persons with
- 30 mental retardation under the medical assistance
- 31 program in relationship to the goals and objectives of
- 32 the mental health and developmental disability
- 33 services system redesign being conducted by the mental
- 34 health and developmental disabilities commission. The

35 department shall submit a report of the findings of
36 the review and recommendations to the general assembly
37 by July 1, 2004.

38 2. For the fiscal year beginning July 1, 2003, the
39 department of human services in cooperation with the
40 Iowa state association of counties and the Iowa
41 association of community providers shall establish
42 payment rate limitations for the services provided
43 under the home and community-based services waiver for
44 persons with mental retardation that are consistent
45 with the limitations used for the same or similar
46 services that are funded one hundred percent by the
47 counties.

48 Sec. ____ EMERGENCY RULES. The department of
49 human services shall adopt administrative rules under
50 section 17A.4, subsection 2, and section 17A.5,

Page 2

1 subsection 2, paragraph "b", to implement the
2 provisions of this Act and the rules shall become
3 effective immediately upon filing or on a later
4 effective date specified in the rules, unless the
5 effective date is delayed by the administrative rules
6 review committee. Any rules adopted in accordance
7 with this section shall not take effect before the
8 rules are reviewed by the administrative rules review
9 committee. The delay authority provided to the
10 administrative rules review committee under section
11 17A.4, subsection 5, and section 17A.8, subsection 9,
12 shall be applicable to a delay imposed under this
13 section, notwithstanding a provision in those sections
14 making them inapplicable to section 17A.5, subsection
15 2, paragraph "b". Any rules adopted in accordance
16 with the provisions of this section shall also be
17 published as notice of intended action as provided in
18 section 17A.4."
19 3. By renumbering as necessary.

The motion prevailed and the House concurred in the Senate amendment H-1368.

Heaton of Henry moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 560)

The ayes were, 95:

| | | | |
|------------|------------------|------------------|------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boggess | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Eichhorn | Elgin |
| Fallon | Ford | Freeman | Frevert |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Huser | Hutter |
| Jacobs | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Miller | Murphy | Myers |
| Oldson | Olson, D. | Olson, S. | Osterhaus |
| Paulsen | Petersen | Quirk | Raecker |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Taylor, T. | Thomas | Tjepkes | Tymeson |
| Upmeyer | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Mr. Speaker | |
| | | Rants | |

The nays were, none.

Absent or not voting, 5:

| | | | |
|------------------|-------|-------|--------|
| Boddicker | Drake | Foege | Hansen |
| Van Engelenhoven | | | |

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

Granzow of Hardin called up for consideration **House File 457**, a bill for an act expanding requirements for the transition of an individual from the child welfare services system to adulthood, amended by the Senate, and moved that the House concur in the following Senate amendment H-1383:

H-1383

- 1 Amend House File 457, as passed by the House, as
- 2 follows:
- 3 1. Page 1, by striking lines 7 through 14 and
- 4 inserting the following: "living adulthood. The

5 written plan of services and needs assessment shall be
 6 developed with any person who may reasonably be
 7 expected to be a service provider for the child when
 8 the child becomes an adult or to become responsible
 9 for the costs of services at that time, including but
 10 not limited to the administrator of county general
 11 relief under chapter 251 or 252 or of the single entry
 12 point process implemented under section 331.440. If
 13 the child is interested in pursuing".

14 2. Page 1, by inserting after line 34 the
 15 following:

16 "Sec. ____ Section 232.2, subsection 22, Code
 17 2003, is amended by adding the following new
 18 paragraph:

19 NEW PARAGRAPH. d. If authorized by the court, a
 20 guardian ad litem may continue a relationship with and
 21 provide advice to a child for a period of time beyond
 22 the child's eighteenth birthday."

23 3. By renumbering, relettering, or redesignating
 24 and correcting internal references as necessary.

The motion prevailed and the House concurred in the Senate amendment H-1383.

Granzow of Hardin moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 457)

The ayes were, 95:

| | | | |
|------------|-----------|------------|-----------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boguess | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Ford | Freeman |
| Frevert | Gaskill | Gipp | Granzow |
| Greimann | Greiner | Hahn | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |

| | | | |
|------------|------------|------------------|------------------|
| Osterhaus | Paulsen | Petersen | Quirk |
| Raecker | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Tjepkes |
| Tymeson | Upmeyer | Van Fossen, J.K. | Van Fossen, J.R. |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Mr. Speaker | |
| | | Rants | |

The nays were, none.

Absent or not voting, 5:

| | | | |
|-----------|-------|--------|------------------|
| Boddicker | Foege | Hansen | Van Engelenhoven |
| Watts | | | |

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

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House Files 457, 560, 668, 672 and 687.**

SENATE MESSAGE CONSIDERED

Senate File 451, by committee on appropriations, a bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

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

RULE 57 SUSPENDED

Gipp of Winneshiek asked and received unanimous consent to suspend Rule 57, relating to committee notice and agenda, for a meeting of the committee on environmental protection at 9:00 a.m., April 24, 2003.

MOTION TO RECONSIDER
(Senate File 445)

I move to reconsider the vote by which Senate File 445 passed the House on April 23, 2003.

GIPP of Winneshiek

EXPLANATION OF VOTE

I was necessarily absent from the House chamber on April 23, 2003. Had I been present, I would have voted "aye" on House File 675.

HEATON of Henry

BILL ENROLLED, SIGNED AND SENT TO
SECRETARY OF STATE

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following resolution has been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Secretary of State for his approval on this 23rd day of April, 2003: House Joint Resolution 5.

MARGARET A. THOMSON
Chief Clerk of the House

Report adopted.

PRESENTATION OF VISITORS

The Speaker announced that the following visitors were present in the House chamber:

Twenty-nine students representing ten countries speaking seven languages from West High Davenport, Davenport, Iowa, accompanied by seven adults. By Winckler and Lykam of Scott.

Twenty-four fifth grade students from Lakeview Elementary, Centerville, Iowa, accompanied by Debra Eddy, Myra McGill, Shawna Stickler, Shawna Verice, and Tammy Carol. By Swaim of Davis.

CERTIFICATES OF RECOGNITION

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

MARGARET A. THOMSON
Chief Clerk of the House

- | | |
|-----------|---|
| 2003\1283 | John and Betty Taylor, Iowa Falls – For celebrating their 50 th wedding anniversary. |
| 2003\1284 | Kenneth and Betty Chaplin, Iowa Falls – For celebrating their 50 th wedding anniversary. |
| 2003\1285 | Ben and Agnes Hall, Alden – For celebrating their 65 th wedding anniversary. |
| 2003\1286 | Bernard and Elsie Graanstra, Ocheyedan – For celebrating their 50 th wedding anniversary. |
| 2003\1287 | Southern Cal Jazz Band, Southern Cal High School – For winning first place in the Class 1-A Iowa State Jazz Competition. |
| 2003\1288 | Landon Streit, Manson – For being crowned State Physics Olympic Champion. |
| 2003\1289 | Mark Sullivan, Manson – For being crowned State Physics Olympic Champion. |
| 2003\1290 | Alison Truax, Vinton – For winning the U.S. National Science Award. |
| 2003\1291 | Hulda McIlrath, Shellsburg – For celebrating her 90 th birthday. |
| 2003\1292 | Verna Andresen, Keystone – For celebrating her 90 th birthday. |
| 2003\1293 | Bengamin Vierkant, Mason City – For celebrating his 90 th birthday. |
| 2003\1294 | Gerry Trebil, Mason City – For celebrating her 80 th birthday. |
| 2003\1295 | Ruth Molstad, Mason City – For celebrating her 80 th birthday. |
| 2003\1296 | Mayor Ann Hutchinson and the Bettendorf City Council, Bettendorf – For celebrating its centennial on June 5 th , 2003. |
| 2003\1297 | Nathan Berkhoudt, Muscatine – For being named a United States National Award winner in mathematics. |
| 2003\1298 | June Hagie, Ames – For celebrating her 90 th birthday. |

- 2003\1299 Verlene and Don Mangels, Ames – For celebrating their 50th wedding anniversary.
- 2003\1300 Dorothy and Gerald Hall, Madrid – For celebrating their 65th wedding anniversary.
- 2003\1301 Myrtle Alsin, Madrid – For celebrating her 103rd birthday.
- 2003\1302 Clarence Blanchard, Hampton – For celebrating his 90th birthday.
- 2003\1303 Lila Brodbeck, Dumont – For celebrating her 80th birthday.
- 2003\1304 Joyce and Elwyn Brouwer, Sheffield – For celebrating their 55th wedding anniversary.
- 2003\1305 Pete Lewerke, Garner – For celebrating his 90th birthday.
- 2003\1306 Mary Ann and Luverne Schmidt, Klemme – For celebrating their 55th wedding anniversary.
- 2003\1307 Mr. and Mrs. Keith Kline – For celebrating their 50th wedding anniversary.
- 2003\1308 Raymond Jones, Davenport – For celebrating his 80th birthday.
- 2003\1309 Joseph L. Shepherd, Davenport – For celebrating his 80th birthday.
- 2003\1310 Mr. and Mrs. Robert Haase, Davenport – For celebrating their 50th wedding anniversary.
- 2003\1311 Harriett and Elmer Muller, Holland – For celebrating their 50th wedding anniversary.
- 2003\1312 John and Dot Middlekoop, Batavia – For celebrating their 50th wedding anniversary.
- 2003\1313 Lowell and Darlene Rothbart, Grand Mound – For celebrating their 60th wedding anniversary.
- 2003\1314 Clarence Kinney, Grand Mound – For celebrating his 80th birthday.
- 2003\1315 Helen Goddard, Dewitt – For celebrating her 90th birthday.
- 2003\1316 Ronald and Darlene Woodall, Nashua – For celebrating their 50th wedding anniversary.
- 2003\1317 Margaret Etringer, Waterloo – For celebrating her 80th birthday.
- 2003\1318 Gerald Swyter, Kanawha – For celebrating his 90th birthday.
- 2003\1319 Matthew Popowski, Garner – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.

- 2003\1320 Parmer Schlake, Garnavillo – For celebrating his 90th birthday.
- 2003\1321 Elizabeth Schaer, Elgin – For celebrating her 90th birthday.
- 2003\1322 Dick and Barb Stock, Greeley – For celebrating their 50th wedding anniversary.
- 2003\1323 Dick and Marge Smith, Fayette – For celebrating their 50th wedding anniversary.
- 2003\1324 Mildred and Paul Trmipe, Williamsburg – For celebrating their 60th wedding anniversary.
- 2003\1325 Melvin Dahlstrom, Thornburg – For celebrating his 90th birthday.
- 2003\1226 Edna Tegatz, Williamsburg – For celebrating her 95th birthday.
- 2003\1327 Elaine and Quentin Schumacher, Dubuque – For celebrating their 50th wedding anniversary.
- 2003\1328 Kevin Hansen, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1329 Anthony Arensdorf, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1330 Steven Nesteby, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1331 Eric Small, Dubuque – For attaining the rank of Eagle Scout, the highest award in the Boy Scouts of America.

COMMITTEE RECOMMENDATION

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the following committee recommendation has been received and is on file in the office of the Chief Clerk.

MARGARET A. THOMSON
Chief Clerk of the House

COMMITTEE ON ECONOMIC GROWTH

House File 683, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, modifying the value-added agricultural products and processes financial assistance program, providing endow Iowa seed grants and endow Iowa tax credits, providing funding and tax credits for economic development regions, creating workforce training and economic development funds for community colleges, establishing a school financing program for school infrastructure purposes, creating a cultural and entertainment district certification program,

increasing the availability of rehabilitation project tax credits, eliminating a small business advisory council, making appropriations, and including effective date and retroactive applicability provisions.

Fiscal Note is not required.

Recommended **Do Pass** April 21, 2003.

AMENDMENTS FILED

| | | | |
|------------------|------|-----|-----------------------|
| H—1411 | H.F. | 683 | Fallon of Polk |
| H—1412 | H.F. | 683 | Fallon of Polk |
| H—1413 | H.F. | 683 | Fallon of Polk |
| H—1414 | H.F. | 683 | Fallon of Polk |
| H—1415 | H.F. | 683 | Fallon of Polk |
| H—1416 | H.F. | 683 | Fallon of Polk |
| H—1417 | H.F. | 683 | Fallon of Polk |
| H—1418 | H.F. | 683 | Fallon of Polk |
| H—1419 | H.F. | 683 | Fallon of Polk |
| H—1420 | H.F. | 683 | Fallon of Polk |
| H—1421 | H.F. | 683 | Fallon of Polk |
| H—1422 | H.F. | 683 | Fallon of Polk |
| H—1423 | H.F. | 683 | Fallon of Polk |
| H—1424 | H.F. | 683 | Fallon of Polk |
| H—1425 | H.F. | 683 | Fallon of Polk |
| H—1426 | H.F. | 683 | Fallon of Polk |
| H—1427 | H.F. | 683 | Fallon of Polk |
| H—1428 | H.F. | 683 | Fallon of Polk |
| H—1429 | H.F. | 683 | Fallon of Polk |
| H—1430 | H.F. | 683 | Fallon of Polk |
| H—1431 | H.F. | 683 | Fallon of Polk |
| H—1432 | H.F. | 683 | Fallon of Polk |
| H—1433 | H.F. | 683 | Fallon of Polk |
| H—1440 | H.F. | 690 | Shoultz of Black Hawk |
| H—1443 | H.F. | 691 | Heddens of Story |
| | | | Wise of Lee |
| | | | Cphoon of Des Moines |
| | | | Wendt of Woodbury |
| | | | Whitead of Woodbury |
| H—1444 | H.F. | 691 | Wise of Lee |
| Bell of Jasper | | | Cphoon of Des Moines |
| Bukta of Clinton | | | Winkler of Scott |
| Lykam of Scott | | | |

| | | | |
|--------|-----------------------|-----|----------------------------|
| H—1446 | H.F. | 691 | Alons of Sioux |
| | Lukan of Dubuque | | S. Olson of Clinton |
| | Eichhorn of Hamilton | | Raecker of Polk |
| | Rasmussen of Buchanan | | Van Engelenhoven of Marion |
| | Hahn of Muscatine | | |
| H—1447 | H.F. | 685 | Heaton of Henry |
| H—1448 | H.F. | 691 | Heaton of Henry |

On motion by Gipp of Winneshiek the House adjourned at 7:28 p.m., until 8:45 a.m., Thursday, April 24, 2003.

JOURNAL OF THE HOUSE

One Hundred Second Calendar Day - Seventy-third Session Day

Hall of the House of Representatives
Des Moines, Iowa, Thursday, April 24, 2003

The House met pursuant to adjournment at 8:47 a.m., Klemme of Plymouth in the chair.

Prayer was offered by seventh and eighth grade students from Ocheyedan Christian School. Reading from Scripture was Tricia Beltman and Mitchell Tiedeman and a prayer by Tessa Vande Hoef. They were the guests of Representative Royd Chambers of O'Brien County.

The Journal of Wednesday, April 23, 2003 was approved.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Honorable Ralph Klemme, state representative from Plymouth County.

The House stood at ease at 8:52 a.m., until the fall of the gavel.

The House resumed session at 1:03 p.m. and Horbach of Tama in the chair.

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed seventy-seven members present and twenty-three absent.

HOUSE FILE 157 WITHDRAWN

Lukan of Dubuque asked and received unanimous consent to withdraw House File 157 from further consideration by the House.

HOUSE FILE 598 WITHDRAWN

Maddox of Polk asked and received unanimous consent to withdraw House File 598 from further consideration by the House.

The House stood at ease at 1:15 p.m., until the fall of the gavel.

The House resumed session at 2:59 p.m., Speaker Rants in the chair.

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Osterhaus of Jackson on request of Mascher of Johnson.

CONSIDERATION OF BILLS Ways and Means Calendar

House File 677, a bill for an act relating to new capital investment for businesses and new jobs by creating a new capital investment program, creating tax incentives, and amending the new jobs and income program, was taken up for consideration.

Lukan of Dubuque offered the following amendment H-1404 filed by him and moved its adoption:

H-1404

- 1 Amend House File 677 as follows:
- 2 1. Page 1, line 27, by striking the words "five
- 3 hundred thousand", and inserting the following: "one
- 4 million".

Amendment H-1404 was adopted.

Lukan of Dubuque offered the following amendment H-1329 filed by him and moved its adoption:

H-1329

- 1 Amend House File 677 as follows:
- 2 1. Page 6, line 30, by striking the word
- 3 "corporate".

Amendment H-1329 was adopted.

Jochum of Dubuque asked and received unanimous consent to withdraw amendment H-1340 filed by her on April 15, 2003.

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

On the question "Shall the bill pass?" (H.F. 677)

The ayes were, 98:

| | | | |
|------------------|------------------|------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Paulsen | Petersen |
| Quirk | Raecker | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rants | | |

The nays were, 1:

Fallon

Absent or not voting, 1:

Osterhaus

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

Roberts of Carroll in the chair at 3:10 p.m.

Unfinished Business Calendar

Senate File 417, a bill for an act relating to the purchase of a police service dog by the department of corrections, with report of committee recommending passage, was taken up for consideration.

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

On the question "Shall the bill pass?" (S.F. 417)

The ayes were, 99:

| | | | |
|------------------|------------------|------------------|--------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Fallon | Foege |
| Ford | Freeman | Frevort | Gaskill |
| Gipp | Granzow | Greimann | Greiner |
| Hahn | Hansen | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Huser | Hutter |
| Jacobs | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Miller | Murphy | Myers |
| Oldson | Olson, D. | Olson, S. | Paulsen |
| Petersen | Quirk | Raecker | Rants, Spkr. |
| Rasmussen | Rayhons | Reasoner | Sands |
| Schickel | Shoultz | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Roberts, | |
| | | Presiding | |

The nays were, none.

Absent or not voting, 1:

Osterhaus

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

SENATE AMENDMENT CONSIDERED

Upmeyer of Hancock called up for consideration **House File 454**, a bill for an act relating to mandatory universal newborn and infant hearing screening, amended by the Senate, and moved that the House concur in the following Senate amendment H-1380:

H-1380

1 Amend House File 454, as amended, passed, and
2 reprinted by the House, as follows:

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

5 "DIVISION XV

6 UNIVERSAL NEWBORN AND INFANT HEARING SCREENING

7 Section 1. **NEW SECTION. 135.131 UNIVERSAL**
8 **NEWBORN AND INFANT HEARING SCREENING.**

9 1. For the purposes of this section, unless the
10 context otherwise requires:

11 a. "Birth center" means birth center as defined in
12 section 135.61.

13 b. "Birthing hospital" means a private or public
14 hospital licensed pursuant to chapter 135B that has a
15 licensed obstetric unit or is licensed to provide
16 obstetric services.

17 2. Beginning January 1, 2004, all newborns and
18 infants born in this state shall be screened for
19 hearing loss in accordance with this section. The
20 person required to perform the screening shall use at
21 least one of the following procedures:

22 a. Automated or diagnostic auditory brainstem
23 response.

24 b. Otoacoustic emissions.

25 c. Any other technology approved by the
26 department.

27 3. Beginning January 1, 2004, a birthing hospital
28 shall screen every newborn delivered in the hospital
29 for hearing loss prior to discharge of the newborn
30 from the birthing hospital. a birthing hospital that
31 transfers a newborn for acute care prior to completion
32 of the hearing screening shall notify the receiving
33 facility of the status of the hearing screening. The

34 receiving facility shall be responsible for completion
35 of the newborn hearing screening. The birthing
36 hospital or other facility completing the hearing
37 screening under this subsection shall report the
38 results of the screening to the parent or guardian of
39 the newborn and to the department in a manner
40 prescribed by rule of the department.
41 4. Beginning January 1, 2004, a birth center shall
42 refer the newborn to a licensed audiologist,
43 physician, or hospital for screening for hearing loss
44 prior to discharge of the newborn from the birth
45 center. The hearing screening shall be completed
46 within thirty days following discharge of the newborn.
47 The person completing the hearing screening shall
48 report the results of the screening to the parent or
49 guardian of the newborn and to the department in a
50 manner prescribed by rule of the department.

Page 2

1 5. Beginning January 1, 2004, if a newborn is
2 delivered in a location other than a birthing hospital
3 or a birth center, the physician or other health care
4 professional who undertakes the pediatric care of the
5 newborn or infant shall ensure that the hearing
6 screening is performed within three months of the date
7 of the newborn's or infant's birth. The physician or
8 other health care professional shall report the
9 results of the hearing screening to the parent or
10 guardian of the newborn or infant and to the
11 department in a manner prescribed by rule of the
12 department.
13 6. A birthing hospital, birth center, physician,
14 or other health care professional required to report
15 information under subsection 3, 4, or 5, shall report
16 all of the following information
17 to the department relating to a newborn's or
18 infant's hearing screening, as applicable:
19 a. The name, address, and telephone number, if
20 available, of the mother of the newborn or infant.
21 b. The primary care provider at the birthing
22 hospital or birth center for the newborn or infant.
23 c. The results of the hearing screening.
24 d. Any rescreenings and the diagnostic
25 audiological assessment procedures used.
26 7. The department may share information with
27 agencies and persons involved with newborn and infant
28 hearing screenings, follow-up, and intervention
29 services, including the local birth-to-three
30 coordinator or similar agency, the local area
31 education agency, and local health care providers.
32 The department shall adopt rules to protect the

33 confidentiality of the individuals involved.
34 8. An area education agency with which information
35 is shared pursuant to subsection 7 shall report all of
36 the following information to the department relating
37 to a newborn's or infant's hearing, follow-up, and
38 intervention services, as applicable:
39 a. The name, address, and telephone number, if
40 available, of the mother of the newborn or infant.
41 b. The results of the hearing screening and any
42 rescreenings, including the diagnostic audiological
43 assessment procedures used.
44 c. The nature of any follow-up or other
45 intervention services provided to the newborn or
46 infant.
47 9. This section shall not apply if the parent
48 objects to the screening. If a parent objects to the
49 screening, the birthing hospital, birth center,
50 physician, or other health care professional required

Page 3

1 to report information under subsection 3, 4, or 5 to
2 the department shall obtain a written refusal from the
3 parent, shall document the refusal in the newborn's or
4 infant's medical record, and shall report the refusal
5 to the department in the manner prescribed by rule of
6 the department.
7 10. A person who acts in good faith in complying
8 with this section shall not be civilly or criminally
9 liable for reporting the information required to be
10 reported by this section.
11 Sec. 2. NEW SECTION. 135B.18a UNIVERSAL NEWBORN
12 AND INFANT HEARING SCREENING.
13 Beginning January 1, 2004, a birthing hospital as
14 defined in section 135.131 shall comply with section
15 135.131 relating to universal newborn and infant
16 hearing screening."

The motion prevailed and the House concurred in the Senate amendment H-1380.

Upmeyer of Hancock moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 454)

The ayes were, 99:

| | | | |
|------------------|------------------|------------------|--------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Fallon | Foege |
| Ford | Freeman | Frevert | Gaskill |
| Gipp | Granzow | Greimann | Greiner |
| Hahn | Hansen | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Huser | Hutter |
| Jacobs | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Miller | Murphy | Myers |
| Oldson | Olson, D. | Olson, S. | Paulsen |
| Petersen | Quirk | Raecker | Rants, Spkr. |
| Rasmussen | Rayhons | Reasoner | Sands |
| Schickel | Shoultz | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Roberts, | |
| | | Presiding | |

The nays were, none.

Absent or not voting, 1:

Osterhaus

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

Appropriations Calendar

House File 685, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund, was taken up for consideration.

Heaton of Henry offered amendment H-1447 filed by him as follows:

H-1447

1 Amend House File 685 as follows:

2 1. Page 3, by inserting after line 14 the
3 following: "Of the amount appropriated in this
4 subsection, \$100,000 shall be used to continue the
5 efforts of the Iowa chronic care consortium."

6 2. Page 4, by striking lines 8 through 12.

7 3. Page 4, line 24, by striking the figure
8 "10,000,000" and inserting the following:
9 "11,800,000".

10 4. Page 5, by inserting after line 7, the
11 following:

12 "(6) The department shall submit a report annually
13 by March 1, to the governor and the general assembly
14 delineating the success rates of the substance abuse
15 treatment programs that receive funding under this
16 paragraph "d"."

17 5. Page 5, line 11, by striking the figure
18 "2,000,000" and inserting the following "2,200,000".

19 6. Page 5, line 19, by striking the figure
20 "187,320" and inserting the following: "387,320".

21 7. Page 5, by striking lines 29 through 32.

22 8. Page 7, by inserting after line 19, the
23 following:

24 "Sec.____. RISK POOL APPROPRIATION – TRANSFER.

25 Notwithstanding 2002 Iowa Acts, chapter 1175, section
26 104, subsection 1, paragraph "b", as amended by 2003
27 Iowa Acts, House File 667, section 41, if enacted,
28 moneys appropriated for the fiscal year beginning July
29 1, 2003, and ending June 30, 2004, for deposit in the
30 risk pool pursuant to that paragraph shall be
31 transferred to the medical assistance appropriation
32 for the same fiscal year.

33 Sec.____. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT –

34 TRANSFER. In addition to the amount transferred
35 pursuant to section 12E.12, subsection 1, paragraph
36 "b", subparagraph (2), subparagraph subdivision (b),
37 \$4,600,000 is transferred from the endowment for
38 Iowa's health account of the tobacco settlement trust
39 fund created in section 12E.12 to the healthy Iowans
40 tobacco trust created in section 12.65 for the fiscal
41 year beginning July 1, 2003, and ending June 30,
42 2004."

43 9. By renumbering as necessary.

Lensing of Johnson offered the following amendment H-1449, to amendment H-1447, filed by her from the floor and moved its adoption:

H-1449

- 1 Amend the amendment, H-1447, to House File 685 as
 2 follows:
 3 1. Page 1, line 18, by striking the figure
 4 "2,200,000" and inserting the following: "2,336,960".
 5 2. Page 1, by inserting after line 20 the
 6 following:
 7 "___ Page 5, line 26, by striking the figure
 8 "141,810" and inserting the following: "288,770"."

Roll call was requested by Myers of Johnson and T. Taylor of Linn.

On the question "Shall amendment H-1449 be adopted?" (H.F. 685)

The ayes were, 46:

| | | | |
|-----------|------------|------------|----------|
| Bell | Berry | Bukta | Cohoon |
| Connors | Dandekar | Davitt | Fallon |
| Foege | Ford | Frevert | Gaskill |
| Greimann | Heddens | Hogg | Hunter |
| Huser | Jochum | Kuhn | Lensing |
| Lykam | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Petersen | Quirk | Reasoner |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Upmeyer | Wendt | Whitaker | Whitead |
| Winckler | Wise | | |

The nays were, 52:

| | | | |
|------------------|----------|------------------|------------------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Boggess | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Horbach |
| Huseman | Hutter | Jacobs | Jenkins |
| Jones | Klemme | Kramer | Kurtenbach |
| Lalk | Lukan | Maddox | Manternach |
| Olson, S. | Paulsen | Raecker | Rants, Spkr. |
| Rasmussen | Rayhons | Sands | Schickel |
| Tjepkes | Tymeson | Van Engelenhoven | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wilderdyke | Roberts, |
| | | | Presiding |

Absent or not voting, 2:

| | |
|---------|-----------|
| Hoffman | Osterhaus |
|---------|-----------|

Amendment H-1449 lost.

Miller of Webster offered amendment H-1458, to amendment H-1447, filed by Miller, Frevert of Palo Alto, Lykam of Scott, Winckler of Scott, Thomas of Clayton, Lensing of Johnson, Mascher of Johnson and Myers of Johnson from the floor as follows:

H-1458

- 1 Amend the amendment, H-1447, to House File 685 as
- 2 follows:
- 3 1. Page 1, line 18, by striking the figure
- 4 "2,200,000" and inserting the following: "2,276,388".
- 5 2. Page 1, by striking line 21.

Amendment H-1458 lost.

Lensing of Johnson offered the following amendment H-1450, to amendment H-1447, filed by Lensing, Mascher of Johnson and T. Taylor of Linn from the floor and moved its adoption:

H-1450

- 1 Amend the amendment, H-1447, to House File 685 as
- 2 follows:
- 3 1. Page 1, by inserting after line 21 the
- 4 following:
- 5 "___ Page 6, line 18, by striking the figure
- 6 "250,000" and inserting the following: "178,000".
- 7 ___ Page 6, by inserting after line 20, the
- 8 following:
- 9 "f. Of the funds appropriated in this subsection,
- 10 \$72,000 is allocated to be used for educational or
- 11 treatment programs within the correctional
- 12 institutions."
- 13 2. By renumbering as necessary.

Amendment H-1450 lost.

Alons of Sioux offered the following amendment H-1456, to amendment H-1447, filed by Alons, Baudler of Adair, Horbach of Tama, Huser of Polk, Chambers of O'Brien, Lukan of Dubuque and Hanson of Benton from the floor and moved its adoption:

H-1456

- 1 Amend the amendment, H-1447, to House File 685 as

2 follows:

3 1. Page 1, by inserting after line 21, the

4 following:

5 " _____. Page 6, line 2, by striking the figure

6 "860,000" and inserting the following: "920,000".

7 _____. Page 6, line 18, by striking the figure

8 "250,000" and inserting the following: "310,000".

9 _____. Page 6, line 20, by inserting after the word

10 "program." the following: "A portion of the funds

11 allocated in this paragraph may be used to establish a

12 similar value-based treatment program at the Iowa

13 correctional institution for women at Mitchellville.""

14 2. Page 1, line 37, by striking the figure

15 "4,600,000" and inserting the following: "4,660,000".

16 3. By renumbering as necessary.

Amendment H-1456 was adopted, placing out of order amendment H-1362 filed by Huser of Polk on April 17, 2003, and amendment H-1452 filed by Lensing of Johnson, Mascher of Johnson and T. Taylor of Linn from the floor.

Smith of Marshall asked and received unanimous consent to withdraw amendment H-1461, to amendment H-1447, filed by him from the floor.

Ford of Polk offered the following amendment H-1466, to amendment H-1447, filed by him from the floor and moved its adoption:

H-1466

1 Amend the amendment, H-1447, to House File 685 as
2 follows:

3 1. Page 1, line 18, by striking the figure

4 "2,200,000" and inserting the following: "2,500,388".

5 2. Page 1, by inserting after line 21, the

6 following:

7 " _____. Page 5, line 34, by striking the figure

8 "76,388" and inserting the following: "300,388".

9 _____. Page 5, line 35, by inserting after the word

10 "program." the following: "Of the funds allocated in

11 this subparagraph, \$224,000 shall be used to provide

12 grants to local childhood lead poisoning prevention

13 efforts.""

Amendment H-1466 lost.

On motion by Heaton of Henry amendment H-1447, as amended, was adopted, placing out of order the following amendments:

Amendment H-1371 filed by Thomas of Clayton and Huser of Polk on April 21, 2003.

Amendment H-1372 filed by Huser of Polk and Thomas of Clayton on April 21, 2003.

Amendment H-1388 filed by Smith, et al., on April 22, 2003.

Amendment H-1392 filed by Huser of Polk on April 22, 2003.

Smith of Marshall offered the following amendment H-1386 filed by Smith, et al., and moved its adoption:

H-1386

1 Amend House File 685 as follows:

2 1. Page 3, line 20, by striking the figure

3 "5,000,000" and inserting the following: "9,300,000".

Amendment H-1386 lost.

Smith of Marshall offered the following amendment H-1387 filed by Smith, et al., and moved its adoption:

H-1387

1 Amend House File 685 as follows:

2 1. Page 3, line 20, by striking the figure

3 "5,000,000" and inserting the following: "7,500,000".

Amendment H-1387 lost.

Mascher of Johnson offered the following amendment H-1460 filed by her from the floor and moved its adoption:

H-1460

1 Amend House File 685 as follows:

2 1. Page 6, by striking lines 18 through 20, and

3 inserting the following: "e. Of the funds

4 appropriated in this subsection, \$250,000 shall be

5 used by the department of corrections to employ

6 additional corrections officers."

Amendment H-1460 lost.

T. Taylor of Linn offered the following amendment H-1462 filed by him from the floor and moved its adoption:

H-1462

- 1 Amend House File 685 as follows:
- 2 1. Page 6, by striking lines 18 through 20, and
- 3 inserting the following:
- 4 "e. Of the funds appropriated in this subsection,
- 5 \$250,000 shall be used by the department of
- 6 corrections to provide substance abuse programs
- 7 through community-based corrections."

Amendment H-1462 lost.

Smith of Marshall asked and received unanimous consent to withdraw amendments H-1459 and H-1464 filed by him from the floor.

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

On the question "Shall the bill pass?" (H.F. 685)

The ayes were, 97:

| | | | |
|------------------|------------|--------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Bogges |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Paulsen | Petersen |
| Quirk | Raecker | Rants, Spkr. | Rasmussen |
| Rayhons | Reasoner | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wendt | Whitaker |
| Whitead | Wilderdyke | Winckler | Wise |
| Roberts, | | | |
| Presiding | | | |

The nays were, none.

Absent or not voting, 3:

Fallon

Osterhaus

Van Engelenhoven

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

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House Files 454, 685, 677 and Senate File 417.**

Ways and Means Calendar

Senate File 275, a bill for an act relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new stand-alone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability, with report of committee recommending passage, was taken up for consideration.

Baudler of Adair offered the following amendment H-1333 filed by him and moved its adoption:

H-1333

- 1 Amend Senate File 275, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 6, line 2, by inserting after the word
- 4 "located," the following: "When allocating natural
- 5 gas delivery taxes on deliveries of natural gas to a
- 6 new peak load electric power generating plant of one
- 7 hundred megawatts or less, one hundred percent of
- 8 those natural gas delivery taxes shall be allocated
- 9 over new gas property built directly to serve the new
- 10 peak load electric power generating plant. For
- 11 purposes of this paragraph, "new peak load electric
- 12 power generating plant" means an electric power
- 13 generating plant that operates infrequently, to meet
- 14 additional energy demands or to take advantage of

- 15 profitable energy market conditions, and that
 16 initially generates electricity subject to replacement
 17 generation tax under section 437A.6 on or after
 18 January 1, 2003."

Amendment H-1333 lost.

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

On the question "Shall the bill pass?" (S.F. 275)

The ayes were, 97:

| | | | |
|------------------|--------------|------------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jochum | Jones | Klemme | Kramer |
| Kuhn | Kurtenbach | Lalk | Lensing |
| Lukan | Lykam | Maddox | Manternach |
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Paulsen | Petersen | Quirk |
| Raecker | Rants, Spkr. | Rasmussen | Rayhons |
| Reasoner | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wendt | Whitaker |
| Whitead | Wilderdyke | Winckler | Wise |
| Roberts, | | | |
| Presiding | | | |

The nays were, none.

Absent or not voting, 3:

Fallon

Jenkins

Osterhaus

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

Unfinished Business Calendar

Senate File 368, a bill for an act relating to advanced telecommunications services, including modification of rate provisions, economic development promotional certification, and a study of competition and access charges by the utilities board, with report of committee recommending amendment and passage, was taken up for consideration.

Dix of Butler offered amendment H-1327 filed by the committee on commerce, regulation and labor as follows:

H-1327

1 Amend Senate File 368, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 4, by striking lines 4 through 31 and
4 inserting the following: "the following new
5 subsection:
6 NEW SUBSECTION. 12. a. The Iowa broadband
7 initiative is".
8 2. Page 5, line 24, by striking the word and
9 figure "section 476.97,".
10 3. Page 6, by inserting after line 23 the
11 following:
12 "() By choosing to participate in the Iowa
13 broadband initiative, the participating carrier agrees
14 to make available to other carriers, on both a
15 wholesale and an unbundled basis, the services and
16 facilities that result from implementation of the
17 participating carrier's plan. The wholesale rates
18 shall be set by the board, which shall consider, among
19 other factors, the extent to which the service or
20 facility was financed by the revenues generated by the
21 rate increase allowed under this paragraph "c"."
22 4. Page 7, by inserting after line 6 the
23 following:
24 "Sec. ____ NEW SECTION. 476.105 SEVERABILITY.
25 If any provision of this chapter or its application
26 to any person or circumstance is held invalid or
27 otherwise rendered ineffective by any entity, the
28 invalidity or ineffectiveness shall not affect other
29 provisions or applications of this chapter that can be
30 given effect without the invalid or ineffective
31 provision or application, and to this end the

- 32 provisions of this chapter are severable."
33 5. Page 7, by striking lines 7 through 29.
34 6. By renumbering, redesignating, and correcting
35 internal references as necessary.

Dix of Butler offered the following amendment H-1453, to the committee amendment H-1327, filed by him from the floor and moved its adoption:

H-1453

- 1 Amend the amendment, H-1327, to Senate File 368, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, by inserting after line 2 the
5 following:
6 "___ Page 1, by striking lines 1 through 15.
7 ___ Page 3, by striking lines 17 and 18 and
8 inserting the following: "used only for consumer
9 education programs administered by the board."
10 2. Page 1, line 17, by inserting after the word
11 "rates" the following: "and unbundled rates".
12 3. Page 1, by inserting after line 33 the
13 following:
14 "___ Title page, by striking lines 2 through 4
15 and inserting the following: "including rate
16 provisions.""
17 4. By renumbering, redesignating, and correcting
18 internal references as necessary.

Amendment H-1453 was adopted.

On motion by Dix of Butler the committee amendment H-1327, as amended, was adopted.

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

On the question "Shall the bill pass?" (S.F. 368)

The ayes were, 84:

| | | | |
|----------|-----------|----------|-----------|
| Alons | Baudler | Bell | Berry |
| Boal | Boddicker | Boggess | Bukta |
| Chambers | Cohoon | Dandekar | Davitt |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Foege |

| | | | |
|------------------|------------------|--------------|-----------------------|
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hansen |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jacobs | Jenkins |
| Jochum | Jones | Klemme | Kramer |
| Kuhn | Kurtenbach | Lalk | Lensing |
| Lukan | Lykam | Maddox | Manternach |
| Mascher | Mertz | Miller | Murphy |
| Myers | Olson, D. | Olson, S. | Paulsen |
| Quirk | Raecker | Rants, Spkr. | Rasmussen |
| Rayhons | Reasoner | Sands | Smith |
| Stevens | Struyk | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Watts | Wendt |
| Whitead | Winckler | Wise | Roberts, Presiding |

The nays were, 12:

| | | | |
|----------|---------|------------------|----------|
| Arnold | Connors | Ford | Hahn |
| McCarthy | Oldson | Petersen | Schickel |
| Shoultz | Swaim | Van Fossen, J.R. | Whitaker |

Absent or not voting, 4:

| | | | |
|---------|--------|-----------|------------|
| Carroll | Fallon | Osterhaus | Wilderdyke |
|---------|--------|-----------|------------|

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

HOUSE FILE 620 WITHDRAWN

Lukan of Dubuque asked and received unanimous consent to withdraw House File 620 from further consideration by the House.

Ways and Means Calendar

House File 692, a bill for an act relating to taxation of property and income and including effective date and applicability date provisions, was taken up for consideration.

Carroll of Poweshiek offered the following amendment H-1455 filed by him from the floor and moved its adoption:

H-1455

1 Amend House File 692 as follows:

2 1. Page 1, line 16, by striking the words "as
3 promptly as possible" and inserting the following:
4 "~~as promptly as possible~~ within thirty days of
5 receiving the assessment notice in section 441.23".

6 2. Page 2, by inserting after line 5, the
7 following:

8 "Sec. __. NEW SECTION. 441.20 LEGISLATIVE
9 INTENT.

10 It is the intent of the general assembly that there
11 be transparency in the property tax system. It is
12 further the intent of the general assembly that
13 property assessments for purposes of property taxation
14 be equal and uniform within classes of property. It
15 is further the intent of the general assembly to
16 minimize the impact that maintenance and upkeep by the
17 owner of property has on the assessment of that
18 property and that there be predictability in increases
19 of property assessments and that such predictability
20 be based primarily on the actions of the property
21 owner. It is further the intent of the general
22 assembly to minimize the impact that increases in
23 assessed value of property will have on property taxes
24 paid and that any increases will be primarily the
25 result of direct action taken by the local taxing
26 authority in setting budget amounts rather than by
27 increases in market value of property."

28 3. Page 2, by striking lines 12 through 19.

29 4. Page 7, by inserting after line 9, the
30 following:

31 "d. If a county enters into a contract before May
32 1, 2003, for a comprehensive revaluation by a private
33 appraiser and such revaluation is for the assessment
34 year beginning January 1, 2006, the valuations
35 determined under the comprehensive revaluation for
36 that assessment year shall be divided by the
37 cumulative inflation factor for the assessment year
38 beginning January 1, 2006, and that quotient shall be
39 considered the valuation of the property for the
40 assessment year beginning January 1, 2005."

41 5. Page 7, by inserting after line 9, the
42 following:

43 "6A. Notwithstanding any other provision of this
44 section, the assessed value per square foot of a
45 structure times the total number of square feet of the
46 structure shall not exceed its fair and reasonable
47 market value for the assessment year, except for
48 agricultural structures which shall be valued
49 exclusively as provided in subsection 5."

50 6. Page 10, by inserting after line 9, the

Page 2

1 following:

2 "c. Buildings for human habitation that are used
3 as commercial ventures, including but not limited to
4 hotels, motels, rest homes, and structures containing
5 three or more separate living quarters shall not be
6 considered residential property."

7 7. Page 10, line 25, by inserting after the word
8 "assessment," the following: "The notification shall
9 include a supplemental return form for the person to
10 list the person's property and any additions or
11 modifications completed in the prior year to a
12 structure located on the property, as required in
13 section 441.19."

14 8. Page 11, by striking lines 30 through 32, and
15 inserting the following: "the number of structures,
16 and the total square footage of the structures by
17 class of property, and showing the values affixed to
18 agricultural land and the assessed value per square
19 foot affixed to the property the structures by class
20 of property of all".

21 9. Page 15, by inserting after line 21, the
22 following:

23 "Sec.____. NEW SECTION. 441.47A EQUALIZATION OF
24 INFLATION FACTORS.

25 The director of revenue and finance on or about
26 August 15, 2007, and every two years thereafter, shall
27 order the equalization of the assessed value per
28 square foot resulting from the application of the
29 cumulative inflation factor in the several assessing
30 jurisdictions in each case as may be necessary to
31 bring such values as fixed by the assessor in cases of
32 purchases of property and newly constructed property
33 to the values determined for the assessment year
34 beginning January 1, 2005. In equalizing the effects
35 of the application of the cumulative inflation factor,
36 the department shall make use of reports issued by
37 Iowa state university of science and technology which
38 reports shall more precisely indicate, on a county-by-
39 county basis, annual and cumulative inflation factors
40 for each county. If the cumulative inflation factor
41 for an assessing jurisdiction as reported by Iowa
42 state university of science and technology is five
43 percent above or below the cumulative inflation factor
44 as defined in section 441.21, subsection 7, the
45 director shall notify the assessor by mail of the
46 equalization of the effects of the cumulative
47 inflation factor for the assessing jurisdiction. The
48 assessor shall recompute the assessments made pursuant
49 to section 441.21, subsection 3, paragraph "b",
50 subparagraph (1), subsection 4, paragraph "b",

Page 3

- 1 subparagraph (1), and subsection 5, paragraph "b",
- 2 subparagraph (1), by applying the equalized inflation
- 3 factor. The assessor shall send notice of the
- 4 equalized assessments to all affected property
- 5 owners."
- 6 10. Page 25, by striking line 3, and inserting
- 7 the following: "whether or not maximum square footage
- 8 rates and land tax rates should be imposed and, if
- 9 such rates are recommended, the imposition of rates".
- 10 11. By renumbering as necessary.

Amendment H-1455 was adopted.

Speaker Rants in the chair at 7:56 p.m.

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

On the question "Shall the bill pass?" (H.F. 692)

The ayes were, 81:

| | | | |
|------------------|------------------|------------------|-----------|
| Alons | Arnold | Baudler | Berry |
| Boal | Boddicker | Boggess | Bukta |
| Carroll | Chambers | Connors | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Eichhorn | Elgin |
| Fallon | Foege | Freeman | Frevert |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Manternach | McCarthy | Murphy |
| Myers | Oldson | Olson, S. | Paulsen |
| Petersen | Quirk | Raecker | Rasmussen |
| Rayhons | Reasoner | Roberts | Sands |
| Schickel | Shoultz | Stevens | Struyk |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wendt | Whitead | Wilderdyke | Wise |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, 18:

| | | | |
|----------|----------|------------|------------|
| Bell | Cohon | Ford | Gaskill |
| Greimann | Heddens | Hogg | Maddox |
| Mascher | Mertz | Miller | Olson, D. |
| Smith | Swaim | Taylor, D. | Taylor, T. |
| Whitaker | Winckler | | |

Absent or not voting, 1:

Osterhaus

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 24, 2003, concurred in the House amendment, to the Senate amendment, and passed the following bill in which the concurrence of the Senate was asked:

House File 584, a bill for an act providing for exceptions to liability for certain activities.

Also: That the Senate has on April 24, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 681, a bill for an act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

Also: That the Senate has on April 24, 2003, passed the following bill in which the concurrence of the House is asked:

Senate File 444, a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision.

Also: That the Senate has on April 24, 2003, passed the following bill in which the concurrence of the House is asked:

Senate File 448, a bill for an act relating to the department of corrections and its duties regarding treatment and education of inmates at various correctional facilities, release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, change to the inmate savings and inmate telephone rebate fund, and payment of supervision fees.

MICHAEL E. MARSHALL, Secretary

INTRODUCTION OF BILLS

House File 693, by Gipp and Myers, a bill for an act establishing a new century learning technology initiative, commission, and fund, and providing an effective date and for contingent implementation.

Read first time and referred to committee on **education**.

House File 694, by committee on appropriations, a bill for an act relating to the judicial branch including by establishing a judicial district and judicial election district redistricting process, making changes to the nomination, appointment, and retention of judges, expanding magistrate courts, eliminating the position of alternate district associate judge, permitting district judgeships to be apportioned or transferred to another judicial district, requiring the county sheriff to serve a summons in certain delinquency proceedings, eliminating the participation of the foster care review board in voluntary foster care placements, waiving the filing fee and court costs in certain contempt actions, changing the duties of and the procedures related to the clerk of the district court, providing that interest on a judgment be calculated upon the one year treasury constant maturity plus two percent, expanding the access of the deferred judgment docket, prohibiting regional litigation centers, modifying the schedule of the probate court, providing for a fee, and providing for a study.

Read first time and placed on the **appropriations calendar**.

SENATE MESSAGE CONSIDERED

Senate File 444, by committee on ways and means, a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision.

Read first time and **passed on file**.

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House File 692, Senate Files 275 and 368**.

DENIED GENERAL CLAIMS BY THE STATE APPEAL BOARD
SUBMITTED TO THE 80TH GENERAL ASSEMBLY
April 2003

| <u>Claim</u> | <u>Full Name</u> | <u>City</u> | <u>Type</u> | <u>Amount</u> |
|--------------|---|----------------|-------------------|---------------|
| G011403 | Martin Luther Homes of Iowa, Inc. | Clive | Medical Care | \$4,628.26 |
| G011404 | Martin Luther Homes of Iowa, Inc. | Clive | Medical Care | \$2,433.20 |
| G011405 | Martin Luther Homes of Iowa, Inc. | Clive | Medical Care | \$3,650.08 |
| G011444 | Martin Luther Homes of Iowa | Des Moines | Credit | \$881.22 |
| G030066 | Mitchell Wesley Munson | Lenexa | License Refund | \$189.00 |
| G030126 | Karen Ann Co. Inc. | Des Moines | IRP Refund | Unspecified |
| G030226 | Gary Robert Hartman | Olathe | License Refund | \$18.00 |
| G030232 | Linn Co. Dept. of Human Resources Mgmt. | Cedar Rapids | Committal | \$7,164.80 |
| G030358 | K & R Express, Ltd. | Waterloo | IRP Refund | \$8,475.00 |
| G030372 | Thomas Allen Caldwell | Mount Pleasant | Refund Penalty | \$12.00 |
| G030429 | Judy Ellis Worley | Cedar Rapids | Refund Penalty | \$35.00 |
| G030511 | Christine Lynn Sepulveda | Cedar Rapids | Refund Penalty | \$557.00 |
| G030512 | Cynthia A. Hall | Monticello | Refund Penalty | Unspecified |

REPORT OF THE CHIEF CLERK OF THE HOUSE

MR. SPEAKER: Pursuant to House Rule 42, I report that in enrolling bills the following corrections were made:

House File 319

1. Page 1, line 10 – Take out extra space after (3).
2. Page 1, line 16 – Underscore first parenthesis of (a)

MARGARET A. THOMSON
Chief Clerk of the House

BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 24th day of April, 2003: House Files 547, 548, 551, 557, 617, 647 and 648.

MARGARET A. THOMSON
Chief Clerk of the House

Report adopted.

BILLS SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on April 22, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 446, an Act relating to dealership agreements, and providing for the Act's applicability.

House File 502, an Act relating to damage disclosure statements required for transfer of ownership of motor vehicles and providing a penalty.

House File 604, an Act requiring state government annual reports made to the General Assembly to include certain financial information.

House File 616, an Act prohibiting a cancellation penalty upon cancellation of a purchase agreement for cemetery merchandise, funeral merchandise, and funeral services.

House File 634, an Act relating to the conversion of cooperative associations originally as business corporations.

COMMUNICATION RECEIVED

The following communication was received and filed in the office of the Chief Clerk:

OFFICE OF AUDITOR OF STATE

Single audit report for fiscal year ended June 30, 2002, pursuant to Chapter 11.4, Code of Iowa.

SUBCOMMITTEE ASSIGNMENTS**House File 183**

Ways and Means: Paulsen, Chair; K. Kramer and Shoultz.

Senate File 371

Ways and Means: Kurtenbach, Chair; Frevert and Sands.

Senate File 441

Ways and Means: Boal, Chair; Jochum and Kurtenbach.

Senate File 442

Ways and Means: Paulsen, Chair; K. Kramer and Winckler.

Senate File 451

Appropriations: Horbach, Chair; Dix and Thomas.

HOUSE STUDY BILL COMMITTEE ASSIGNMENTS**H.S.B. 316 Ways and Means**

Relating to Iowa individual income tax checkoffs, providing an income tax checkoff to fund grants relating to veterans and Sullivan brothers historic preservation, relating to the limitation on income tax checkoffs, making an appropriation, and including effective and applicability date provisions.

H.S.B. 317 Ways and Means

Relating to the administration of the tax and related laws by the department of revenue and finance, including administration of state individual income, sales, property, motor fuel, special fuel, cigarette,

tobacco, inheritance taxes, and local hotel and motel taxes, and the premiums tax on mutual insurance associations, and including effective and retroactive applicability date provisions.

COMMITTEE RECOMMENDATIONS

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

MARGARET A. THOMSON
Chief Clerk of the House

COMMITTEE ON APPROPRIATIONS

Committee Bill (Formerly House File 643), concerning procedures, duties, and fees related to the judicial branch.

Fiscal note is not required.

Recommended Amend and Do Pass April 23, 2003.

House File 676, a bill for an act establishing a veterans trust fund under the control of the commission of veterans affairs and making an appropriation.

Fiscal note is required.

Recommended Amend and Do Pass with amendment H-1454 April 23, 2003.

COMMITTEE ON WAYS AND MEANS

Senate File 384, a bill for an act relating to the Iowa education savings plan trust and to the taxation of activities involving out-of-state qualified state tuition programs and including effective and retroactive applicability date provisions.

Fiscal note is not required.

Recommended Amend and Do Pass with amendment H-1465 April 23, 2003.

RESOLUTION FILED

HR 56, by Boddicker, a resolution honoring Iowa musicians Don Daugherty and Glenn Dean Goodwin.

Laid over under **Rule 25**.

AMENDMENTS FILED

| | | | |
|--------|------|-----|-----------------------------|
| H—1451 | S.F. | 390 | Mertz of Kossuth |
| H—1454 | H.F. | 676 | Committee on Appropriations |
| H—1457 | H.F. | 686 | Kramer of Polk |
| H—1463 | H.F. | 686 | Ford of Polk |
| H—1465 | S.F. | 384 | Committee on Ways and Means |
| H—1467 | H.F. | 686 | Fallon of Polk |
| H—1468 | H.F. | 683 | Fallon of Polk |
| H—1469 | H.F. | 686 | Kramer of Polk |

On motion by Gipp of Winneshiek the House adjourned at 8:02 p.m., until 8:45 a.m., Friday, April 25, 2003.

JOURNAL OF THE HOUSE

One Hundred Third Calendar Day - Seventy-fourth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Friday, April 25, 2003

The House met pursuant to adjournment at 8:49 a.m., Speaker Rants in the chair.

Prayer was offered by Reverend Jeff De Boers, pastor of Peace Reformed Church, Garner. He was the guest of Representative Linda Upmeyer of Hancock County and Representative Henry Rayhons of Hancock County.

The Journal of Thursday, April 24, 2003 was approved.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

SENATE MESSAGE CONSIDERED

Senate File 448, by committee on ways and means, a bill for an act relating to the department of corrections and its duties regarding treatment and education of inmates at various correctional facilities, release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, change to the inmate savings and inmate telephone rebate fund, and payment of supervision fees.

Read first time and referred to committee on **public safety**.

MESSAGES FROM THE SENATE

The following messages was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 24, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 455, a bill for an act requiring licensed health-related professionals to report certain burn injuries to a law enforcement agency.

Also: that the Senate has on April 24, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 654, a bill for an act relating to the exemption of sand handling and core and mold making equipment used in the mold making process from sales and use taxes, providing refunds, and including effective and retroactive applicability date provisions.

Also: that the Senate has on April 24, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

Senate File 368, a bill for an act relating to advanced telecommunications services, including modification of rate provisions, economic development promotional certification, and a study of competition and access charges by the utilities board.

Also that the Senate has on April 24, 2003, passed the following bill in which the concurrence of the Senate is asked:

Senate File 449, a bill for an act providing a wind energy production tax credit under the individual and corporate income taxes, the franchise tax, and insurance premiums tax and including an applicability date provision.

MICHAEL E. MARSHALL, Secretary

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Osterhaus of Jackson on request of T. Taylor of Linn.

ADOPTION OF HOUSE RESOLUTION 53

Upmeyer of Hancock called up for consideration **House Resolution 53**, a resolution congratulating the Peace Reformed Church of Garner, Iowa, on its 125th anniversary, and moved its adoption.

The motion prevailed and the resolution was adopted.

ADOPTION OF HOUSE RESOLUTION 45

Watts of Dallas called up for consideration **House Resolution 45**, a resolution requesting the State Department of Transportation to identify the Mormon Trail route across Iowa on the official Iowa highway map, and moved its adoption.

The motion prevailed and the resolution was adopted.

SENATE AMENDMENTS CONSIDERED

Mertz of Kossuth called up for consideration **House File 624**, a bill for an act regulating farm deer, providing for penalties, and providing an effective date, amended by the Senate amendment H-1352 as follows:

H-1352

1 Amend House File 624, as passed by the House, as
2 follows:

3 1. Page 2, line 1, by striking the word
4 "odocioleus" and inserting the following:
5 "odocoileus".

6 2. Page 2, line 2, by striking the word
7 "odocioleus" and inserting the following:
8 "odocoileus".

9 3. Page 2, by inserting after line 6, the
10 following:

11 "_. "Fence" means a boundary fence which encloses
12 farm deer within a landowner's property as required to
13 be constructed and maintained pursuant to section
14 170.4."

15 4. Page 3, by striking lines 19 through 21, and
16 inserting the following:

17 "_. Farm deer are livestock as provided in this
18 title and are principally subject to regulation by the
19 department of agriculture and land stewardship, and
20 also the department of natural resources as
21 specifically provided in this chapter. The
22 regulations adopted by the department of agriculture
23 and land stewardship may include but are not limited
24 to providing for the importation, transportation, and
25 disease control of farm deer. The".

26 5. Page 3, line 35, by inserting after the word
27 "department." the following: "The fence shall be
28 constructed and maintained to ensure that whitetail
29 are kept in the enclosure and that other deer are
30 excluded from the enclosure. A fence that is
31 constructed on or after the effective date of this Act
32 shall be at least eight feet in height above ground.
33 level."

34 6. Page 4, line 1, by inserting after the word
35 "department" the following: "of agriculture and land
36 stewardship".

37 7. Page 4, line 2, by inserting after the word
38 "certification." the following: "The department of
39 natural resources may periodically inspect the fence
40 according to appointment with the enclosure's
41 landowner."

42 8. Page 4, line 8 by inserting after the word

43 "resources" the following: "and the department of
44 agriculture and land stewardship".
45 9. Page 4, line 10, by striking the words "that
46 department" and inserting the following: "the
47 departments".
48 10. Page 4, line 13, by inserting after the word
49 "department" the following: "of agriculture and land
50 stewardship".

Page 2

1 11. Page 4, by striking lines 16 through 23, and
2 inserting the following:
3 "___ The landowner shall cooperate with the
4 department of natural resources and the department of
5 agriculture and land stewardship to remove any
6 whitetail from the enclosed land. However, after the
7 thirtieth day following receipt of the notice, the
8 state shall relinquish its property interest in any
9 remaining whitetail that the landowner and the
10 cooperating departments were unable to remove from the
11 enclosed land. Any remaining whitetail existing at
12 that time on the enclosed land, and any".
13 12. Page 4, line 24, by striking the word
14 "which".
15 13. Page 4, line 27, by inserting after the word
16 "department" the following: "of agriculture and land
17 stewardship".
18 14. Page 5, by striking lines 12 through 26, and
19 inserting the following: "certification under this
20 section, the landowner shall provide for the
21 disposition of the enclosed whitetail by any lawful
22 means."
23 15. Page 5, line 34, by inserting after the
24 figure "808." the following: "This chapter does not
25 prevent the department of natural resources from
26 examining the landowner's business records according
27 to appointment with the enclosure's landowner. The
28 records include but are not limited to those relating
29 to whitetail inventories, health, inspections, or
30 shipments; and the enclosure's fencing."
31 16. Page 7, line 12, by striking the word "deer,"
32 and inserting the following: "deer".
33 17. Page 7, by striking lines 16 through 20, and
34 inserting the following:
35 "NEW SUBSECTION. 3. This section does not apply
36 to a landowner who cooperates with the department of
37 natural resources and the department of agriculture
38 and land stewardship to remove all whitetail from
39 enclosed land as provided in section 170.5, even if
40 all whitetail are not removed."
41 18. Page 7, by inserting after line 24 the

42 following:

43 "Sec. ____ Section 484B.12, Code 2003, is amended

44 to read as follows:

45 484B.12 HEALTH REQUIREMENTS – UNGULATES.

46 All ungulates which are purchased, propagated,

47 confined, released, or sold by a licensed hunting

48 preserve shall be free of diseases considered

49 significant for wildlife, poultry, or livestock. The

50 department of agriculture and land stewardship shall

Page 3

1 provide for the regulation of farm deer as provided in

2 chapter 170."

3 19. By renumbering as necessary.

Baudler of Adair offered amendment H-1471, to the Senate amendment H-1352, filed by Freeman of Buena Vista from the floor as follows:

H-1471

1 Amend the Senate amendment, H-1352, to House File

2 624, as passed by the House, as follows:

3 1. By striking page 1, line 3 through page 3,

4 line 2, and inserting the following:

5 " ____ By striking page 1, line 35 through page 2,

6 line 1, and inserting the following: "red deer or

7 elk; part of".

8 ____ Page 2, by striking lines 7 and 8.

9 ____ Page 2, by striking lines 14 through 16, and

10 inserting the following: "agriculture."

11 ____ Page 3, by striking lines 2 through 15, and

12 inserting the following:

13 " ____ The council shall monitor conditions

14 relating to the production of farm deer, the

15 processing of farm deer products, and the marketing of

16 such products. The council shall advise the

17 department about health issues affecting farm deer,

18 including but not limited to chronic wasting disease,

19 and related regulations or practices."

20 ____ By striking page 3, line 16 through page 6,

21 line 11.

22 ____ Page 7, by striking lines 3 through 24.

23 ____ Page 7, by inserting before line 25 the

24 following:

25 "Sec. ____ NEW SECTION. 483A.28 REGISTRATION OF

26 HUNTING OUTFITTERS OR HUNTING GUIDES – PENALTY.

27 1. A person shall not engage in or be employed for

28 any compensation in the business of a hunting

29 outfitter or a hunting guide in this state unless the

30 person is registered as a hunting outfitter or a
31 hunting guide with the department. The commission
32 shall define, by rule, the activities that constitute
33 hunting outfitter activities or hunting guide
34 activities for the purposes of this section. The
35 rules shall require an applicant for registration to
36 identify the location and acreage to be hunted and the
37 equipment and services to be provided by the outfitter
38 or the guide.

39 2. The department shall establish, by rule, a
40 conduct board consisting of hunting outfitters who are
41 residents of the state and hunting guides who are
42 residents of the state selected by the department, to
43 compose standards of ethical and professional conduct
44 concerning hunting outfitters and hunting guides and
45 to review complaints and make recommendations to the
46 department for the revocation of registrations of
47 hunting outfitters and hunting guides who are in
48 violation of this section or the rules adopted
49 pursuant to this section.

50 3. The commission shall establish, by rule, the

Page 2

1 annual fee for a hunting outfitter or hunting guide
2 registration required pursuant to this section. In
3 determining an annual fee, the commission shall
4 consider the costs of providing for the registration
5 and administering and enforcing the provisions of this
6 section.

7 4. A violation of this section or the rules
8 adopted pursuant to this section is punishable as
9 provided in section 483A.42.

10 5. This section does not apply to the activities
11 of a hunting outfitter or hunting guide that are
12 conducted on a hunting preserve pursuant to chapter
13 484B."

14 ____ By striking page 7, line 31 through page 8,
15 line 5.

16 ____ Title page, by striking line 1, and
17 inserting the following: "An Act relating to the
18 harvesting of captive and wild animals, making
19 penalties applicable, and".

20 2. By renumbering as necessary.

Mertz of Kossuth rose on a point of order that amendment H-1471 was not germane, to the Senate amendment H-1352.

The Speaker ruled the point well taken and amendment H-1471 was not germane.

On motion by Mertz of Kossuth the House concurred in the Senate amendment H-1352.

Mertz of Kossuth moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 624)

The ayes were, 95:

| | | | |
|------------|------------------|------------------|------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Bogges | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Foege | Ford | Freeman |
| Frevert | Gaskill | Gipp | Granzow |
| Greimann | Greiner | Hahn | Hansen |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jacobs | Jenkins |
| Jochum | Jones | Klemme | Kramer |
| Kuhn | Kurtenbach | Lalk | Lensing |
| Lukan | Lykam | Maddox | Manternach |
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Paulsen | Petersen | Quirk |
| Raecker | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, T. | Thomas | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Mr. Speaker | |
| | | Rants | |

The nays were, none.

Absent or not voting, 5:

| | | | |
|------------------|--------|-----------|------------|
| Boddicker | Fallon | Osterhaus | Taylor, D. |
| Van Fossen, J.K. | | | |

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

Jones of Mills called up for consideration **Senate File 94**, a bill for an act providing for the confidentiality of certain veterans' records maintained by county recorders, amended by the House, further amended by the Senate and moved that the House concur in the following Senate amendment H-1389 to the House amendment:

H-1389

- 1 Amend the House amendment, S-3103, to Senate File
- 2 94, as passed by the Senate, as follows:
- 3 1. Page 1, by inserting after line 2, the
- 4 following:
- 5 "_. Page 1, by inserting after line 17, the
- 6 following:
- 7 "_. To a person who is a funeral director
- 8 licensed pursuant to chapter 156 and who has custody
- 9 of the body of a deceased veteran.""
- 10 2. Page 1, by inserting after line 2, the
- 11 following:
- 12 "_. Page 1, by inserting after line 22, the
- 13 following:
- 14 "_. To a person conducting research who has
- 15 received written approval from the county commissioner
- 16 of veteran affairs to view the records.""
- 17 3. By renumbering, relettering, or redesignating
- 18 and correcting internal references as necessary.

The motion prevailed and the House concurred in the Senate amendment H-1389, to the House amendment.

Jones of Mills moved that the bill, as amended by the House, further amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (S.F. 94)

The ayes were, 95:

| | | | |
|----------|-----------|---------|----------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boggess | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Foege | Ford | Freeman |
| Frevert | Gaskill | Gipp | Granzow |
| Greimann | Greiner | Hahn | Hansen |
| Hanson | Heaton | Heddens | Hoffman |

| | | | |
|------------|------------------|------------------|------------|
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jacobs | Jenkins |
| Jochum | Jones | Klemme | Kramer |
| Kuhn | Kurtenbach | Lalk | Lensing |
| Lukan | Lykam | Maddox | Manternach |
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Paulsen | Petersen | Quirk |
| Raecker | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, T. | Thomas | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Mr. Speaker | |
| | | Rants | |

The nays were, none.

Absent or not voting, 5:

| | | | |
|------------------|--------|-----------|------------|
| Boddicker | Fallon | Osterhaus | Taylor, D. |
| Van Fossen, J.K. | | | |

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

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House File 624** and **Senate File 94**.

Hansen of Pottawattamie in the chair at 9:18 a.m.

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Davitt of Warren, until his return, on request of T. Taylor of Linn.

CONSIDERATION OF BILLS

Ways and Means Calendar

House File 686, a bill for an act relating to urban renewal and tax increment financing and including effective and retroactive applicability date provisions, was taken up for consideration.

Kramer of Polk offered amendment H-1457 filed by him as follows:

H-1457

1 Amend House File 686 as follows:
2 1. By striking everything after the enacting
3 clause and inserting the following:
4 "Section 1. Section 257.3, subsection 1, Code
5 2003, is amended by adding the following new
6 unnumbered paragraph:
7 NEW UNNUMBERED PARAGRAPH. For fiscal years
8 beginning on or after July 1, 2004, foundation
9 property taxes paid to a municipality pursuant to
10 section 403.19, subsections 2 and 8, shall be regarded
11 as foundation property taxes collected by the school
12 district for purposes of this section.
13 Sec. 2. Section 403.5, subsection 4, paragraph b,
14 subparagraph (1), subparagraph subdivision (b), Code
15 2003, is amended to read as follows:
16 (b) That conditions of slum or blight in the
17 municipality and the shortage of decent, safe and
18 sanitary housing cause or contribute to an increase in
19 and spread of disease and crime, so as to constitute a
20 menace to the public health, safety, morals, or
21 welfare.
22 Sec. 3. Section 403.5, subsections 5 and 6, Code
23 2003, are amended to read as follows:
24 5. An urban renewal plan may be ~~modified~~ amended
25 at any time: Provided, that if ~~modified~~ amended after
26 the lease or sale by the municipality of real property
27 in the urban renewal project area, such ~~modification~~
28 amendment may be conditioned upon such approval of the
29 owner, lessee, or successor in interest as the
30 municipality may deem advisable, and in any event such
31 ~~modification~~ amendment shall be subject to such rights
32 at law or in equity as a lessee or purchaser, or a
33 lessee's or purchaser's successor or successors in
34 interest, may be entitled to assert. The An urban
35 renewal project may be added to an urban renewal plan
36 only by an amendment to the plan. Territory may be
37 added to, or severed from, an urban renewal area only
38 by an amendment to the urban renewal plan. When
39 amending an urban renewal plan, the municipality shall
40 comply with the notification and consultation process
41 provided in this section prior to the approval of any
42 amendment or modification to an adopted urban renewal
43 plan if such amendment or modification provides for
44 refunding bonds or refinancing resulting in an
45 increase in debt service or provides for the issuance
46 of bonds or other indebtedness, to be funded primarily
47 in the manner provided in section 403.19, or if such

48 amendment proposes to add a project to an urban
49 renewal plan or proposes to add territory to an urban
50 renewal area or proposes to sever territory from an

Page 2

1 urban renewal area.

2 If a city proposes an amendment to an urban renewal
3 plan to sever territory from an urban renewal area,
4 each county where the territory to be severed is
5 located must, within thirty days of the conclusion of
6 the consultation process, adopt a resolution approving
7 or rejecting the proposed amendment. If a resolution
8 approving the proposed amendment to an urban renewal
9 plan is received from each county where the territory
10 to be severed is located, or if the board of
11 supervisors of each county where the territory to be
12 severed is located takes no action within the thirty-
13 day time period, the governing body of the city may
14 proceed with the proposed amendment. If one or more
15 resolutions rejecting the proposed amendment to sever
16 the territory is received, the governing body of the
17 city shall not proceed with the proposed amendment to
18 the urban renewal plan.

19 If an urban renewal plan is amended and the
20 amendment to the plan provides for the addition of
21 territory to the urban renewal area, the assessment
22 year established for the territory added for purposes
23 of dividing revenue under section 403.19 shall be the
24 assessment year determined pursuant to section 403.19,
25 subsection 10.

26 6. Upon the approval by a municipality of an urban
27 renewal plan or of any ~~modification thereof~~ amendment
28 to an urban renewal plan, such plan or ~~modification~~
29 amendment shall be deemed to be in full force and
30 effect for the respective urban renewal area, and the
31 municipality may then cause such plan or ~~modification~~
32 amendment to be carried out in accordance with its
33 terms.

34 Sec. 4. Section 403.5, Code 2003, is amended by
35 adding the following new subsection:

36 NEW SUBSECTION. 8. The designation of an urban
37 renewal area pursuant to this section shall be limited
38 in duration to twenty years counting from July 1 of
39 the first fiscal year in which the municipality
40 receives moneys from a division of revenue pursuant to
41 section 403.19. However, the duration of an urban
42 renewal area established before July 1, 2003, shall be
43 limited to twenty years counting from July 1 of the
44 first fiscal year in which the municipality received
45 moneys from a division of revenue pursuant to section
46 403.19, or shall end June 30 of the fiscal year in

47 which the amount of loans, advances, indebtedness, or
48 bonds due and owing on the effective date of this Act
49 is paid, whichever is later. Indebtedness incurred
50 after the effective date of this Act to refund bonds

Page 3

1 issued prior to the effective date of this Act shall
2 not be considered loans, advances, indebtedness, or
3 bonds due and owing on the effective date of this Act.
4 An amendment to an urban renewal plan shall not result
5 in an extension of the durational limitation imposed
6 in this subsection.

7 Sec. 5. Section 403.6, subsection 6, paragraph b,
8 Code 2003, is amended to read as follows:

9 b. Urban renewal plans adopted, or amended,
10 pursuant to the requirements of section 403.5;

11 Sec. 6. Section 403.6, subsection 12, Code 2003,
12 is amended to read as follows:

13 12. To approve and amend urban renewal plans,
14 subject to the requirements of section 403.5.

15 Sec. 7. Section 403.15, subsection 2, Code 2003,
16 is amended to read as follows:

17 2. If the urban renewal agency is authorized to
18 transact business and exercise powers pursuant to this
19 chapter, the mayor or chairperson of the board, as
20 applicable, by and with the advice and consent of the
21 local governing body, shall appoint four members of a
22 board of commissioners of the urban renewal agency,
23 which board shall consist of five ~~seven~~ commissioners.
24 In cities having a population of more than one hundred
25 thousand, the city council may establish, by
26 ordinance, the number of commissioners at not less
27 than five. The affected taxing entities, other than
28 the municipality that has approved the urban renewal
29 plan, shall appoint three members of the board of
30 commissioners of the urban renewal agency. The term
31 of office of each such commissioner shall be one year.

32 Sec. 8. Section 403.17, subsection 10, Code 2003,
33 is amended to read as follows:

34 10. "Economic development area" means an area of a
35 municipality designated by the local governing body as
36 appropriate for commercial and industrial enterprises,
37 or public improvements related to housing and
38 residential development, or construction of housing
39 and residential development for low and moderate
40 income families, including single or multifamily
41 housing. If an urban renewal plan for an urban
42 renewal area is based upon a finding that the area is
43 an economic development area and that no part contains
44 slum or blighted conditions, then the division of
45 revenue provided in section 403.19 and stated in the

46 plan shall be limited to twenty years from the
47 calendar year following the calendar year in which the
48 municipality first certifies to the county auditor the
49 amount of any loans, advances, indebtedness, or bonds
50 which qualify for payment from the division of revenue

Page 4

1 ~~provided in section 403.19.~~ Such designated area
2 shall not include agricultural land, including land
3 which is part of a century farm, unless the owner of
4 the agricultural land or century farm agrees to
5 include the agricultural land or century farm in the
6 urban renewal area. For the purposes of this
7 subsection, "century farm" means a farm in which at
8 least forty acres of such farm have been held in
9 continuous ownership by the same family for one
10 hundred years or more.

11 Sec. 9. Section 403.17, Code 2003, is amended by
12 adding the following new subsection:

13 **NEW SUBSECTION. 12A.** "Indebtedness" includes, but
14 is not limited to, a written agreement to suspend,
15 abate, exempt, rebate, refund, or reimburse property
16 taxes or to provide a grant for property taxes paid.

17 Sec. 10. Section 403.19, subsection 1, paragraphs
18 a and b, Code 2003, are amended to read as follows:

19 a. Unless otherwise provided in this section, that
20 portion of the taxes which would be produced by the
21 rate at which the tax is levied each year by or for
22 each of the taxing districts upon the total sum of the
23 assessed taxable value of the taxable property in the
24 urban renewal area, as shown on the assessment roll as
25 of January 1 of the calendar year preceding the first
26 calendar year in which the municipality certifies to
27 the county auditor the amount of loans, advances,
28 indebtedness, or bonds payable from the division of
29 property tax revenue, or on the assessment roll last
30 equalized prior to the date of initial adoption of the
31 urban renewal plan if the plan was adopted prior to
32 July 1, 1972, shall be allocated to and when collected
33 be paid into the fund for the respective taxing
34 district as taxes by or for the taxing district into
35 which all other property taxes are paid. However, the
36 municipality may choose to divide that portion of the
37 taxes which would be produced by levying the
38 municipality's portion of the total tax rate levied by
39 or for the municipality upon the total sum of the
40 assessed taxable value of the taxable property in the
41 urban renewal area, as shown on the assessment roll as
42 of January 1 of the calendar year preceding the
43 effective date of the ordinance and if the
44 municipality so chooses, an affected taxing entity may

45 allow a municipality to divide that portion of the
46 taxes which would be produced by levying the affected
47 taxing district's portion of the total tax rate levied
48 by or for the affected taxing entity upon the total
49 sum of the assessed taxable value of the taxable
50 property in the urban renewal area, as shown on the

Page 5

1 assessment roll as of January 1 of the calendar year
2 preceding the effective date of the ordinance. This
3 choice to divide a portion of the taxes shall not be
4 construed to change the effective date of the division
5 of property tax revenue with respect to an urban
6 renewal plan in existence on July 1, 1994.

7 b. For the purpose of allocating taxes levied by
8 or for any taxing district which did not include the
9 territory in an urban renewal area on the effective
10 date of the ordinance or initial adoption of the plan,
11 but to which the territory has been annexed or
12 otherwise included after the effective date, the
13 assessment roll applicable to property in the annexed
14 territory as of January 1 of the calendar year
15 preceding the effective date of the ordinance, which
16 amends the plan to include the annexed area, shall be
17 used in determining the assessed taxable valuation of
18 the taxable property in the annexed area.

19 Sec. 11. Section 403.19, subsection 2, Code 2003,
20 is amended to read as follows:

21 2. That portion of the taxes each year in excess
22 of such amount shall be allocated to and when
23 collected be paid into a special fund of the
24 municipality to pay the principal of and interest on
25 loans, moneys advanced to, or indebtedness, whether
26 funded, refunded, assumed, or otherwise, including
27 bonds issued under the authority of section 403.9,
28 subsection 1, incurred by the municipality to finance
29 or refinance, in whole or in part, an urban renewal
30 project within the area, and to provide assistance for
31 low and moderate income family housing as provided in
32 section 403.22; ~~except that. However, taxes for the~~
33 regular and voter-approved physical plant and
34 equipment levy of a school district imposed pursuant
35 to section 298.2-U, and taxes for the payment of bonds
36 and interest of each taxing district must, and for
37 fiscal years beginning on or after July 1, 2004, the
38 foundation property tax imposed pursuant to section
39 257.3, subsection 1, unless the board of directors of
40 the school district by resolution adopted pursuant to
41 subsection 8 directs that the foundation property tax
42 be paid to the municipality or unless the municipality
43 provides the certification required under subsection

44 9. shall be collected against all taxable property
45 within the taxing district without limitation by the
46 provisions of this subsection. ~~However~~ In addition,
47 all or a portion of the taxes for the physical plant
48 and equipment levy shall be paid by the school
49 district to the municipality if ~~the auditor certifies~~
50 ~~to the school district by July 1 the amount of such~~

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1 ~~levy that is necessary to pay the principal and~~
2 ~~interest on bonds issued by the municipality to~~
3 ~~finance an urban renewal project, which bonds were~~
4 ~~issued before July 1, 2001. Indebtedness incurred to~~
5 ~~refund bonds issued prior to July 1, 2001, shall not~~
6 ~~be included in the certification. Such school~~
7 ~~district shall pay over the amount certified by~~
8 ~~November 1 and May 1 of the fiscal year following~~
9 ~~certification to the school district subsection 7~~
10 ~~applies.~~

11 PARAGRAPH DIVIDED. Unless and until the total
12 assessed taxable valuation of the taxable property in
13 an urban renewal area exceeds the total assessed
14 taxable value of the taxable property in such area as
15 shown by the last equalized assessment roll referred
16 to in subsection 1, all of the taxes levied and
17 collected upon the taxable property in the urban
18 renewal area shall be paid into the funds for the
19 respective taxing districts as taxes by or for the
20 taxing districts in the same manner as all other
21 property taxes. When such loans, advances,
22 indebtedness, and bonds, if any, and interest thereon,
23 have been paid, all moneys thereafter received from
24 taxes upon the taxable property in such urban renewal
25 area shall be paid into the funds for the respective
26 taxing districts in the same manner as taxes on all
27 other property.

28 Sec. 12. Section 403.19, subsection 5, Code 2003,
29 is amended to read as follows:

30 5. A municipality shall certify to the county
31 auditor on or before December 1 of each year the
32 amount of loans, advances, indebtedness, or bonds
33 which qualify for payment during the fiscal year
34 beginning in the following calendar year from the
35 special fund referred to in subsection 2, and the
36 filing of the certificate shall make it a duty of the
37 auditor to provide for the division of taxes in ~~each~~
38 ~~subsequent the amount certified for the fiscal year~~
39 ~~until the amount of the loans, advances, indebtedness,~~
40 ~~or bonds is paid to the special fund beginning in the~~
41 following calendar year. The municipality shall
42 include in the certification a schedule of the total

43 amount of loans, advances, indebtedness, or bonds for
44 which taxes mentioned in subsection 2 will be
45 allocated and a schedule of payments for such amounts.
46 In any year, the county auditor shall, upon receipt of
47 a certified request from a municipality filed on or
48 before December 1, increase the amount to be allocated
49 under subsection 1 in order to reduce the amount to be
50 allocated in the following fiscal year to the special

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1 fund, to the extent that the municipality does not
2 request allocation to the special fund of the full
3 portion of taxes which could be collected. Upon
4 receipt of a certificate from a municipality, the
5 auditor shall mail a copy of the certificate to each
6 affected taxing district.

7 Sec. 13. Section 403.19, subsection 7, Code 2003,
8 is amended to read as follows:

9 7. For any fiscal year, a municipality may certify
10 to the county auditor for physical plant and equipment
11 revenue necessary for payment of principal and
12 interest on bonds issued prior to July 1, 2001, only
13 if the municipality certified for such revenue for the
14 fiscal year beginning July 1, 2000. A municipality
15 shall not certify to the county auditor for a school
16 district more than the amount the municipality
17 certified for the fiscal year beginning July 1, 2000.
18 If for any fiscal year a municipality fails to certify
19 to the county auditor for a school district by July 1
20 the amount of physical plant and equipment revenue
21 necessary for payment of principal and interest on
22 such bonds, as provided in subsection 2, the school
23 district is not required to pay over the revenue to
24 the municipality. The county auditor shall
25 immediately certify to the school district the amount
26 of such levy that is necessary to pay the principal
27 and interest on bonds issued by the municipality to
28 finance an urban renewal project, which bonds were
29 issued prior to July 1, 2001. Indebtedness incurred
30 to refund bonds issued prior to July 1, 2001, shall
31 not be included in the certification. Such school
32 district shall pay over the amount certified by
33 November 1 and May 1 of the fiscal year following
34 certification to the school district.

35 **PARAGRAPH DIVIDED.** If a school district and a
36 municipality are unable to agree on the amount of
37 physical plant and equipment revenue certified by the
38 municipality for the fiscal year beginning July 1,
39 2001, either party may request that the state appeal
40 board review and finally pass upon the amount that may
41 be certified. Such appeals must be presented in

42 writing to the state appeal board no later than July
43 31 following certification. The burden shall be on
44 the municipality to prove that the physical plant and
45 equipment levy revenue is necessary to pay principal
46 and interest on bonds issued prior to July 1, 2001. A
47 final decision must be issued by the state appeal
48 board no later than the following October 1.
49 Sec. 14. Section 403.19, Code 2003, is amended by
50 adding the following new subsections:

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1 NEW SUBSECTION. 8. For fiscal years beginning on
2 or after July 1, 2004, the board of directors of a
3 school district may, by resolution, direct that the
4 amount of foundation property tax imposed against the
5 valuation in subsection 2 be paid into the special
6 fund of the municipality. The resolution may apply to
7 plans or projects begun on or after July 1, 2003, and
8 shall be in effect for the life of the urban renewal
9 plan, or for a lesser period of time if the school
10 district board of directors and the governing body of
11 the municipality agree. The resolution shall be filed
12 with the county auditor.

13 NEW SUBSECTION. 9. For any fiscal year, a
14 municipality may certify to the county auditor for
15 foundation property tax revenue of a school district
16 necessary for payment of principal and interest on
17 obligations incurred prior to July 1, 2004, only if
18 the municipality certified for such revenue on or
19 before May 15, 2003. A municipality shall not certify
20 to the county auditor for a school district more than
21 the amount the municipality certified on or before May
22 15, 2003. If for any fiscal year a municipality fails
23 to certify to the county auditor for a school district
24 by July 1 the amount of foundation property tax
25 revenue of a school district necessary for payment of
26 principal and interest on such obligations, as
27 provided in subsection 2, the school district is not
28 required to pay over the revenue to the municipality.
29 The county auditor shall immediately certify to the
30 school district the amount of such levy that is
31 necessary to pay the principal and interest on
32 obligations incurred by the municipality to finance an
33 urban renewal project, which obligations were incurred
34 prior to July 1, 2004. Indebtedness incurred to
35 refund bonds issued prior to July 1, 2004, shall not
36 be included in the certification. Such school
37 district shall pay over the amount certified by
38 November 1 and May 1 of the fiscal year following
39 certification to the school district.
40 If a school district and a municipality are unable

41 to agree on the amount of foundation property tax
42 revenue of a school district certified by the
43 municipality for the fiscal year beginning July 1,
44 2004, either party may request that the state appeal
45 board review and finally pass upon the amount that may
46 be certified. Such appeals must be presented in
47 writing to the state appeal board no later than July
48 31 following certification. The burden shall be on
49 the municipality to prove that the foundation property
50 tax levy revenue is necessary to pay principal and

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1 interest on obligations incurred prior to July 1,
2 2004. A final decision must be issued by the state
3 appeal board no later than the following October 1.
4 NEW SUBSECTION. 10. If an urban renewal plan is
5 amended and the amendment to the plan provides for the
6 addition of territory to the urban renewal area, the
7 assessment year for the territory added for purposes
8 of dividing revenue under this section shall be the
9 assessment year beginning January 1 of the calendar
10 year preceding the calendar year in which the
11 municipality adopted the amendment.

12 NEW SUBSECTION. 11. When all loans, advances,
13 indebtedness, and bonds, if any, and interest thereon,
14 have been paid, revenues from taxes levied on taxable
15 property in an urban renewal area shall not be divided
16 pursuant to this section and shall not be deposited in
17 a special fund under subsection 2.

18 NEW SUBSECTION. 12. On or after July 1, 2003, a
19 municipality shall not enter into a written agreement,
20 or shall not extend or renew an existing agreement, to
21 use revenues paid into the special fund in subsection
22 2 to suspend, abate, exempt, rebate, refund, or
23 reimburse property taxes, or to provide a grant for
24 property taxes paid, in an urban renewal area if the
25 property taxes are imposed against retail property.
26 For the purposes of this subsection, "retail property"
27 means property that is assessed as commercial property
28 for property tax purposes and from which is sold at
29 retail tangible goods, wares, or merchandise on the
30 premises to the general public, which are subject to
31 the state sales tax, but shall not include property on
32 which the sales of retail tangible goods, wares, or
33 merchandise constitutes a use of less than fifty
34 percent of the structures on the property.

35 Sec. 15. NEW SECTION. 403.19a DEBT LIMITATION
36 FOR URBAN RENEWAL AREAS.

37 1. For fiscal years beginning on or after July 1,
38 2003, the total amount of loans, advances,
39 indebtedness, and bonds payable from the special fund

40 of a municipality established in section 403.19,
41 subsection 2, in all urban renewal areas designated by
42 a municipality shall not exceed, in any year, an
43 amount equal to five percent of the total assessed
44 value of the taxable property in the municipality.
45 2. If the total amount of loans, advances,
46 indebtedness, and bonds issued or incurred for
47 projects in all urban renewal areas designated by a
48 municipality and payable from the special fund of a
49 municipality established in section 403.19, subsection
50 2, which loans, advances, indebtedness, and bonds are

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1 outstanding on the effective date of this Act, exceeds
2 the limitation in subsection 1, the municipality may
3 continue to allocate moneys from the special fund to
4 pay such loans, advances, indebtedness, and bonds.
5 However, the municipality shall not issue or incur
6 loans, advances, indebtedness, or bonds payable from
7 the special fund on or after the effective date of
8 this Act for urban renewal purposes unless the amount
9 of such loans, advances, indebtedness, or bonds when
10 combined with the amount of loans, advances,
11 indebtedness, or bonds issued or incurred before the
12 effective date of this Act, meets the limitation
13 established in subsection 1.
14 3. For fiscal years beginning on or after July 1,
15 2003, a city may exceed the debt limitation in this
16 section only if the proposed plan or proposed
17 amendment that will result in the debt limitation
18 being exceeded is approved by resolution of the board
19 of supervisors of each affected taxing entity that is
20 a county within thirty days of the conclusion of the
21 consultation process in section 403.5, subsection 2.
22 If a resolution approving the proposed urban renewal
23 plan or the proposed amendment to an urban renewal
24 plan that would result in exceeding the debt
25 limitation is received from each county that is an
26 affected taxing entity, or if the board of supervisors
27 of each county that is an affected taxing entity takes
28 no action within the thirty-day time period, the
29 governing body of the city may proceed with the
30 proposed plan or proposed amendment. The resolution
31 approving the proposed plan or amendment shall remain
32 in effect for the life of the plan or project,
33 whichever is applicable. If one or more resolutions
34 rejecting the proposed plan or proposed amendment is
35 received, the city shall not proceed with the proposed
36 plan or amendment. However, the city may proceed with
37 the proposed plan or amendment but the county portion
38 of the levy shall not be divided and paid into the .

39 special fund of the city pursuant to section 403.19,
40 subsection 2, for purposes of funding a project
41 proposed under the plan or amendment.
42 4. For purposes of this section, an urban renewal
43 area of a city includes urban renewal areas
44 established by the city in the area of operation of
45 the city and an urban renewal area of a county
46 includes urban renewal areas established by a county
47 in the area of operation of the county. For purposes
48 of this section, the total assessed value of the
49 taxable property in a city includes only the assessed
50 value of the taxable property within the corporate

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1 limits of the city regardless of where the urban
2 renewal area established by the city is located. For
3 purposes of this section, "assessed value" means the
4 valuations determined by the assessor before
5 application of any assessment limitations in section
6 441.21.
7 Sec. 16. Section 403.20, Code 2003, is repealed.
8 Sec. 17. EFFECTIVE AND APPLICABILITY DATE. This
9 Act, being deemed of immediate importance, takes
10 effect upon enactment and applies to urban renewal
11 areas and urban renewal projects established, and
12 urban renewal plans adopted, before, on, or after the
13 effective date."

Ford of Polk asked and received unanimous consent to withdraw amendment H-1463, to amendment H-1457, filed by him on April 24, 2003.

Huser of Polk asked and received unanimous consent that amendment H-1467 be deferred.

Kramer of Polk offered the following amendment H-1469, to amendment H-1457, filed by him and moved its adoption:

H-1469

1 Amend the amendment, H-1457, to House File 686 as
2 follows:
3 1. Page 2, line 35, by striking the word
4 "subsection" and inserting the following:
5 "subsections".
6 2. Page 2, line 36, by striking the word "The"
7 and inserting the following: "Except as otherwise
8 provided in subsection 9, the".

9 3. Page 3, by inserting after line 6, the
10 following:

11 "NEW SUBSECTION. 9. If an urban renewal plan for
12 an urban renewal area is based on a finding that the
13 area is a slum or blighted area, the division of taxes
14 authorized in section 403.19 shall be deemed to
15 continue beyond the period described in subsection 8
16 if the ordinance of the municipality providing for the
17 division of taxes under section 403.19 within such
18 urban renewal area provides that the portion of taxes
19 described in section 403.19, subsection 1, and
20 allocated as provided in that subsection shall be
21 recalculated at the end of the period described in
22 subsection 8, and every ten years thereafter, and
23 shall be determined from and after said dates based
24 upon the assessed value of the taxable property within
25 the urban renewal area as of a date five years after
26 the date of the assessment roll previously used under
27 the ordinance to determine the portion of taxes
28 described in section 403.19, subsection 1."

29 4. Page 8, line 19, by inserting after the figure
30 "2003." the following: "For purposes of this
31 subsection, a municipality may certify for such
32 revenue with respect to obligations which, on the
33 effective date of this Act, had been authorized to be
34 issued or incurred."

35 5. Page 10, line 4, by inserting after the word
36 "bonds" the following: ", and also to pay loans,
37 advances, indebtedness, and bonds which had been
38 authorized to be issued or incurred prior to the
39 effective date of this Act".

Amendment H-1469 was adopted.

Huser of Polk asked and received unanimous consent to withdraw amendment H-1467, to amendment H-1457, previously deferred, filed by Fallon of Polk on April 24, 2003.

On motion by Kramer of Polk, amendment H-1457, as amended, was adopted placing out of order amendments H-1390 filed by Shoultz of Black Hawk on April 22, 2003 and H-1406 filed by Ford of Polk on April 22, 2003.

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

On the question "Shall the bill pass?" (H.F. 686)

The ayes were, 91:

| | | | |
|------------|------------------|------------------|------------|
| Alons | Arnold | Baudler | Berry |
| Boal | Bogges | Bukta | Carroll |
| Chambers | Cohon | Connors | Dandekar |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Fallon |
| Foege | Ford | Freeman | Frevert |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Huser | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Paulsen | Petersen |
| Quirk | Raecker | Rasmussen | Reasoner |
| Roberts | Sands | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Taylor, T. | Thomas | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.K. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Hansen, | |
| | | Presiding | |

The nays were, 6:

| | | | |
|----------|------------------|--------|---------|
| Bell | Boddicker | Hutter | Rayhons |
| Schickel | Van Fossen, J.R. | | |

Absent or not voting, 3:

| | | |
|--------|-----------|--------------|
| Davitt | Osterhaus | Rants, Spkr. |
|--------|-----------|--------------|

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

House File 689, a bill for an act relating to ethanol blended gasoline, by providing for tax credits and for their retroactive applicability, providing for refunds, and providing for an effective date, was taken up for consideration.

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

On the question "Shall the bill pass?" (H.F. 689)

The ayes were, 96:

| | | | |
|------------|------------------|------------------|----------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Bogges |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |
| Paulsen | Petersen | Quirk | Raecker |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Taylor, T. | Thomas | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. |
| Watts | Wendt | Whitaker | Whitead |
| Wilderdyke | Winckler | Wise | Hansen, Presiding |

The nays were, 1:

Hunter

Absent or not voting, 3:

| | | |
|--------|-----------|--------------|
| Davitt | Osterhaus | Rants, Spkr. |
|--------|-----------|--------------|

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

Unfinished Business Calendar

Senate File 383, a bill for an act authorizing the establishment of an Iowa virtual academy, authorizing the board of educational examiners to license instructors of internet courses, and providing an effective date, with report of committee recommending passage, was taken up for consideration.

Tymeson of Madison offered amendment H-1373 filed by Tymeson, et al., as follows:

H-1373

1 Amend Senate File 383, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. By striking everything after the enacting
4 clause and inserting the following:
5 "Section 1. Section 256.7, subsection 7,
6 unnumbered paragraph 5, Code 2003, is amended to read
7 as follows:
8 For the purpose of the rules adopted by the state
9 board, telecommunications means narrowcast
10 communications through systems that are directed
11 toward a narrowly defined audience, and includes
12 interactive live communications, and includes internet
13 web-based applications.
14 Sec. 2. Section 256.7, Code 2003, is amended by
15 adding the following new subsection:
16 NEW SUBSECTION. 26. Adopt rules establishing a
17 course catalog and a clearinghouse for courses offered
18 through internet web-based and Iowa communications
19 network applications. The rules shall establish
20 quality standards for internet web-based courses and
21 an approval process for nonprofit and private
22 providers of internet web-based courses. School
23 districts, accredited nonpublic schools, and area
24 education agencies are encouraged to meet the quality
25 standards. Nonprofit and private providers approved
26 by the department shall meet the quality standards.
27 Upon request and at no cost to the course provider,
28 the department shall include in the course catalog
29 those courses provided by a school district,
30 accredited nonpublic school, area education agency,
31 accredited higher education institution providing
32 courses under section 261C.4 or section 257.11,
33 subsection 3, accredited higher education institution
34 providing internet web-based advanced placement
35 courses, or any other provider approved by the
36 department. In addition, the rules shall allow the
37 department, if funds are available from a source other
38 than the general fund of the state, to act as a
39 clearinghouse to assist school districts and area
40 education agencies in the development of courseware,
41 provide preliminary information on the copyright of
42 courses developed, recommend appropriate course fees,
43 assist providers in securing appropriately licensed
44 teachers, and assist school districts and accredited
45 nonpublic schools in scheduling.
46 Sec. 3. VIRTUAL ACADEMY STUDY.
47 1. The department of education shall conduct a
48 study regarding the feasibility of establishing a
49 state-sponsored virtual academy for students in grades
50 seven through twelve. The study shall address

Page 2

1 curriculum qualifications; scheduling; appropriate
2 licensure of individuals, other than teachers licensed
3 under chapter 272, to teach courses using internet
4 web-based and Iowa communications network
5 applications; responsibilities of the district or
6 accredited nonpublic school seeking to access courses
7 from the state-sponsored virtual academy; and the
8 conditions under which the department may grant a
9 waiver to permit a district to meet an accreditation
10 standard through telecommunications. The study shall
11 include a review of other private and publicly
12 sponsored virtual academies. The study shall also
13 include a five-year implementation and fiscal
14 estimate. The fiscal estimate shall include
15 operational costs of the prospective state-sponsored
16 virtual academy and any potential impact on the
17 general fund of the state through the state school
18 foundation program.

19 2. The director of the department shall convene a
20 group of education stakeholders who may provide input
21 into the study and its recommendations. The
22 stakeholders group shall include, at minimum, a
23 representative from a public and private accredited
24 postsecondary institution providing courses under
25 section 261C.4 or section 257.11, subsection 3; an
26 accredited higher education institution providing
27 internet web-based advanced placement courses; the
28 Iowa association of school boards; the school
29 administrators of Iowa; the Iowa state education
30 association; area education agencies; accredited
31 nonpublic schools; the board of educational examiners;
32 and others deemed appropriate by the department.

33 3. The department shall submit its findings and
34 recommendations in a report to the chairpersons and
35 ranking members of the senate and house standing
36 committees on education and the joint appropriations
37 subcommittee on education by December 15, 2003."

38 2. Title page, by striking lines 1 through 4 and
39 inserting the following: "An Act relating to the use
40 of telecommunications as an instructional tool,
41 authorizing the state board of education to adopt
42 rules establishing a course catalog and a
43 clearinghouse for courses offered through internet
44 web-based and Iowa communications network

45 applications, and directing the department of
46 education to conduct a virtual academy study."

Tymeson of Madison offered the following amendment H-1393, to amendment H-1373, filed by Tymeson, et al., and moved its adoption:

H-1393

- 1 Amend the amendment, H-1373, to Senate File 383, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:
- 4 1. Page 1, line 12, by inserting after the word
- 5 "and" the following: "until July 1, 2005".
- 6 2. Page 2, line 10, by inserting after the word
- 7 "standard" the following: "for kindergarten through
- 8 grade twelve".

Amendment H-1393 was adopted.

On motion by Tymeson of Madison amendment H-1373, as amended, was adopted.

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

On the question "Shall the bill pass?" (S.F. 383)

The ayes were, 94:

| | | | |
|------------|-----------|------------|------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Bogges |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevort | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Hunter | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |
| Paulsen | Petersen | Quirk | Raecker |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Tymeson | Upmeyer |

| | | | |
|------------------|----------------------|------------|----------|
| Van Engelenhoven | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Hansen, Presiding | | |

The nays were, none.

Absent or not voting, 6:

| | | | |
|---------|------------------|-----------|--------------|
| Davitt | Horbach | Osterhaus | Rants, Spkr. |
| Shoultz | Van Fossen, J.K. | | |

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

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House Files 689 and Senate File 383.**

MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 25, 2003, passed the following bill in which the concurrence of the House is asked:

Senate File 453, a bill for an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, and providing applicability and effective dates.

MICHAEL E. MARSHALL, Secretary

SENATE MESSAGES CONSIDERED

Senate File 449, by committee on ways and means, a bill for an act providing a wind energy production tax credit under the individual and corporate income taxes, the franchise tax, and insurance premiums tax and including an applicability date provision

Read first time and **passed on file.**

Senate File 453, by committee on appropriations, a bill for an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, increasing civil penalties, and providing applicability and effective dates.

Read first time and **passed on file.**

The House stood at ease at 10:20 a.m., until the fall of the gavel.

The House resumed session at 2:03 p.m., Speaker Rants in the chair.

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed eighty-one members present, nineteen absent.

Appropriations Calendar

House File 694, a bill for an act relating to the judicial branch including by establishing a judicial district and judicial election district redistricting process, making changes to the nomination, appointment, and retention of judges, expanding magistrate courts, eliminating the position of alternate district associate judge, permitting district judgeships to be apportioned or transferred to another judicial district, requiring the county sheriff to serve a summons in certain delinquency proceedings, eliminating the participation of the foster care review board in voluntary foster care placements, waiving the filing fee and court costs in certain contempt actions, changing the duties of and the procedures related to the clerk of the district court, providing that interest on a judgment be calculated upon the one year treasury constant maturity plus two percent, expanding the access of the deferred judgment docket, prohibiting regional litigation centers, modifying the schedule of the probate court, providing for a fee, and providing for a study, was taken up for consideration.

Swaim of Davis offered the following amendment H-1480 filed by Swaim, Whitaker of Van Buren and Gaskill of Wapello from the floor and moved its adoption:

H-1480

- 1 Amend House File 694 as follows:
- 2 1. Page 1, by striking lines 1 through 13.
- 3 2. By renumbering as necessary.

Amendment H-1480 lost.

Swaim of Davis offered the following amendment H-1479 filed by Swaim, Kuhn of Floyd, Whitaker of Van Buren and Mertz of Kossuth from the floor and moved its adoption:

H-1479

- 1 Amend House File 694 as follows:
- 2 1. By striking page 12, line 26, through page 13,
- 3 line 9.
- 4 2. By renumbering as necessary.

Amendment H-1479 lost.

Kuhn of Floyd offered the following amendment H-1478 filed by him and Mertz of Kossuth from the floor and moved its adoption:

H-1478

- 1 Amend House File 694 as follows:
- 2 1. Page 15, by striking lines 6 through 16 and
- 3 inserting the following: "court to the general
- 4 assembly."

Amendment H-1478 lost.

Swaim of Davis offered the following amendment H-1476 filed by Swaim, Kuhn of Floyd, Mertz of Kossuth, Whitaker of Van Buren, Gaskill of Wapello and Reasoner of Union from the floor and moved its adoption:

H-1476

- 1 Amend House File 694 as follows:
- 2 1. Page 17, by striking lines 21 through 31 and
- 3 inserting the following:
- 4 "NEW SUBSECTION. 11. If a vacancy in a judgeship
- 5 occurs, the judgeship shall be apportioned to the
- 6 judicial election district having the greatest
- 7 percentage of need between authorized judgeships and
- 8 judgeships specified by the formula in subsection 3,
- 9 as calculated by the state court administrator. If
- 10 two or more judicial election districts have an equal
- 11 percentage of need between authorized judgeships and
- 12 judgeships specified by the formula, the judgeship
- 13 shall be apportioned by the state court administrator.
- 14 However, an apportionment under this section shall not
- 15 occur if the results of the apportionment would cause
- 16 the judicial election district in which the vacancy

17 occurs to have a greater percentage of need between
18 authorized judgeships and judgeships specified under
19 the formula as calculated by the state court
20 administrator, than would the judicial election
21 district which would receive the apportioned
22 judgeship."

23 2. By striking page 17, line 32, through page 18,
24 line 27, and inserting the following:

25 "NEW SUBSECTION. 12. Notwithstanding any other
26 provision of the Code to the contrary, if the chief
27 justice of the supreme court determines an inequity
28 exists in the allocation of judgeships and judicial
29 workload between judicial election districts, the
30 chief justice may authorize a voluntary permanent
31 transfer of a district judge from one judicial
32 election district to another. The chief justice shall
33 notify all eligible district judges of the intent to
34 authorize a voluntary permanent transfer and the terms
35 of such a transfer. The chief justice may transfer a
36 district judge who consents to the transfer within six
37 months of the notification. The transfer of a
38 district judge shall take effect within sixty days of
39 the official announcement of the transfer by the chief
40 justice. A district judge transferred pursuant to
41 this subsection shall have six months from the date of
42 the announcement of the transfer to establish
43 residency in the judicial election district where the
44 district judge is transferred. A district judge who
45 has been transferred shall stand for retention in the
46 judicial election district to which the district judge
47 has been transferred as provided in chapter 46. For
48 purposes of subsection 3, the judgeship shall be
49 apportioned to the judicial election district where
50 the judge is transferred. A voluntary transfer

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1 pursuant to this subsection shall not cause a vacancy
2 of a judgeship in the judicial election district from
3 which the district judge was transferred. A transfer
4 under this section shall not occur if the results of
5 the transfer would cause the judicial election
6 district from which the district judge would be
7 transferred to have a greater percentage of need
8 between authorized judgeships and judgeships specified
9 under the formula as calculated by the state court
10 administrator, than would the judicial election
11 district to which the district judge would be
12 transferred."

13 3. By renumbering as necessary.

A non-record roll call was requested.

The ayes were 40, nays 51.

Amendment H-1476 lost.

Swaim of Davis offered the following amendment H-1477 filed by Swaim, Whitaker of Van Buren, Mertz of Kossuth, Reasoner of Union and Gaskill of Wapello from the floor and moved its adoption:

H-1477

- 1 Amend House File 694 as follows:
- 2 1. Page 32, line 22, by striking the word
- 3 "twenty-six" and inserting the following: "thirty-
- 4 one".
- 5 2. Page 32, by striking lines 25 through 28, and
- 6 inserting the following:
- 7 "___ One member to be selected by the majority
- 8 leader of the senate.
- 9 ___ One member to be selected by the minority
- 10 leader of the senate.
- 11 ___ One member to be selected by the majority
- 12 leader of the house of representatives.
- 13 ___ One member to be selected by the minority
- 14 leader of the house of representatives."
- 15 3. Page 33, by inserting after line 14, the
- 16 following:
- 17 "___ One member of the juvenile court officers'
- 18 association.
- 19 ___ One member to be selected by the American
- 20 federation of state, county, and municipal employees.
- 21 ___ One district court administrator to be
- 22 selected by the district court administrators of the
- 23 state."
- 24 4. By renumbering as necessary.

Amendment H-1477 was adopted.

D. Olson of Boone offered amendment H-1486 filed by D. Olson, Shoultz of Black Hawk and Berry of Black Hawk from the floor as follows:

H-1486

- 1 Amend House File 694 as follows:
- 2 1. Page 14, by striking lines 9 through 11.
- 3 2. By renumbering, redesignating, and correcting
- 4 internal references as necessary.

Amendment H-1486 lost.

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

On the question "Shall the bill pass?" (H.F. 694)

The ayes were, 89:

| | | | |
|------------------|------------------|------------|------------------|
| Alons | Baudler | Bell | Berry |
| Boal | Boddicker | Bogges | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Foege | Ford | Freeman |
| Gaskill | Gipp | Granzow | Freimann |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Paulsen | Petersen |
| Raecker | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Struyk | Taylor, D. | Taylor, T. |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitead | Wilderdyke | Winckler | Wise |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, 10:

| | | | |
|--------|----------|---------|-------|
| Arnold | Fallon | Frevert | Kuhn |
| Mertz | Quirk | Stevens | Swaim |
| Thomas | Whitaker | | |

Absent or not voting, 1:

Osterhaus

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

HOUSE FILE 643 WITHDRAWN

Eichhorn of Hamilton asked and received unanimous consent to withdraw House File 643 from further consideration by the House.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 694** be immediately messaged to the Senate.

MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 25, 2003, concurred in the House amendment and adopted the following resolution in which the concurrence of the Senate was asked:

Senate Concurrent Resolution 2, a concurrent resolution relating to the compensation of chaplains, officers and employees of the eightieth general assembly.

MICHAEL E. MARSHALL, Secretary

Appropriations Calendar

House File 691, a bill for an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, and providing applicability and effective dates, was taken up for consideration.

Dix of Butler offered the following amendment H-1472 filed by him from the floor and moved its adoption:

H-1472

- 1 Amend House File 691 as follows:
- 2 1. By striking everything after the enacting
- 3 clause and inserting the following:
- 4 "DIVISION I
- 5 PROPERTY TAX REPLACEMENT

6 Section 1. Section 24.14, Code 2003, is amended to
7 read as follows:

8 24.14 TAX LIMITED.

9 A greater tax than that so entered upon the record
10 shall not be levied or collected for the municipality
11 proposing the tax for the purposes indicated and a
12 greater expenditure of public money shall not be made
13 for any specific purpose than the amount estimated and
14 appropriated for that purpose, except as provided in
15 sections 24.6 and 24.15. All budgets set up in
16 accordance with the statutes shall take such funds,
17 and allocations made by sections 123.53, and 452A.79
18 ~~and chapter 405A~~, into account, and all such funds,
19 regardless of their source, shall be considered in
20 preparing the budget.

21 Sec. 2. Section 331.403, subsection 3, Code 2003,
22 is amended to read as follows:

23 3. A county that fails to meet the filing deadline
24 imposed by this section shall have withheld from
25 payments to be made to the county and allocated to the
26 county pursuant to chapter 405a-section 425.1 an
27 amount equal to five cents per capita until the
28 financial report is filed.

29 Sec. 3. Section 331.427, subsection 1, unnumbered
30 paragraph 1, Code 2003, is amended to read as follows:

31 Except as otherwise provided by state law, county
32 revenues from taxes and other sources for general
33 county services shall be credited to the general fund
34 of the county, including revenues received under
35 sections 9L.11, 101A.3, 101A.7, 123.36, 123.143,
36 142B.6, 176A.8, 321.105, 321.152, 321G.7, section
37 331.554, subsection 6, sections 341A.20, 364.3,
38 368.21, 422A.2, 428A.8, 430A.3, 433.15, 434.19,
39 445.57, 453A.35, 458A.21, 483A.12, 533.24, 556B.1,
40 583.6, 602.8108, 904.908, and 906.17, ~~and chapter~~
41 ~~405A~~, and the following:

42 Sec. 4. Section 384.22, unnumbered paragraph 2,
43 Code 2003, is amended to read as follows:

44 a city that fails to meet the filing deadline
45 imposed by this section shall have withheld from
46 payments to be made to the county which are allocated
47 to the city pursuant to chapter 405a-section 425.1 an
48 amount equal to five cents per capita until the annual
49 report is filed with the auditor of state.

50 Sec. 5. Section 427B.19, subsection 3, unnumbered

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1 paragraph 1, Code 2003, is amended to read as follows:

2 On or before September 1 of each fiscal year
3 through June 30, ~~2006~~ 2004, the county auditor shall
4 prepare a statement, based upon the report received

5 pursuant to subsections 1 and 2, listing for each
6 taxing district in the county:

7 Sec. 6. Section 427B.19, subsection 3, paragraph
8 c, Code 2003, is amended to read as follows:

9 c. The industrial machinery, equipment and
10 computers tax replacement claim for each taxing
11 district. For fiscal years beginning July 1, 1996,
12 and ending June 30, 2001, the replacement claim is
13 equal to the amount determined pursuant to paragraph
14 "a", multiplied by the tax rate specified in paragraph
15 "b". For fiscal years beginning July 1, 2001, and
16 ending June 30, ~~2006~~ 2004, the replacement claim is
17 equal to the product of the amount determined pursuant
18 to paragraph "a", less any increase in valuations
19 determined in paragraph "d", and the tax rate
20 specified in paragraph "b". If the amount subtracted
21 under paragraph "d" is more than the amount determined
22 in paragraph "a", there is no tax replacement for the
23 fiscal year.

24 Sec. 7. Section 427B.19A, subsection 1, Code 2003,
25 is amended to read as follows:

26 1. The industrial machinery, equipment and
27 computers property tax replacement fund is created.
28 For the fiscal year beginning July 1, 1996, through
29 the fiscal year ending June 30, ~~2006~~ 2004, there is
30 appropriated annually from the general fund of the
31 state to the department of revenue and finance to be
32 credited to the industrial machinery, equipment and
33 computers property tax replacement fund, an amount
34 sufficient to implement this division. However, for
35 the fiscal year beginning July 1, 2003, the amount
36 appropriated to the department of revenue and finance
37 to be credited to the industrial machinery, equipment
38 and computers tax replacement fund is ten million
39 eighty-one thousand six hundred eighty-five dollars.

40 Sec. 8. Section 427B.19C, Code 2003, is amended to
41 read as follows:

42 427B.19C ADJUSTMENT OF CERTAIN ASSESSMENTS
43 REQUIRED.

44 In the assessment year beginning January 1, ~~2005~~
45 ~~2003~~, the amount of assessed value of property defined
46 in section 403.19, subsection 1, for an urban renewal
47 taxing district which received replacement moneys
48 under section 427B.19A, subsection 4, shall be reduced
49 by an amount equal to that portion of the amount of
50 assessed value of such property which was assessed

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1 pursuant to section 427B.17, subsection 3.

2 Sec. 9. Section 441.73, subsection 4, Code 2003,
3 is amended to read as follows:

4 4. The executive council shall transfer for the
5 fiscal year beginning July 1, 1992, and each fiscal
6 year thereafter, from funds established in sections
7 405A.8, 425.1, and 426.1, an amount necessary to pay
8 litigation expenses. The amount of the fund for each
9 fiscal year shall not exceed seven hundred thousand
10 dollars. The executive council shall determine
11 annually the proportionate amounts to be transferred
12 from the ~~three~~ two separate funds. At any time when
13 no litigation is pending or in progress the balance in
14 the litigation expense fund shall not exceed one
15 hundred thousand dollars. Any excess moneys shall be
16 transferred in a proportionate amount back to the
17 funds from which they were originally transferred.
18 Sec. 10. GUARANTEE OF REPLACEMENT FUNDS. The
19 revaluation of all industrial machinery, equipment,
20 and computers authorized in section 427B.19B, Code
21 2003, as a result of the insufficient funding of the
22 industrial machinery, equipment and computers property
23 tax replacement fund for the fiscal year beginning
24 July 1, 2002, is void and taxes payable in the fiscal
25 year beginning July 1, 2003, shall not be levied on
26 the amount of such revaluation.

27 Sec. 11. Sections 403.23, 405A.1, 405A.2, 405A.3,
28 405A.4, 405A.5, 405A.6, 405A.7, 405A.8, 405A.9,
29 405A.10, 422.65, 427A.12, and 427B.19B, Code 2003, are
30 repealed.

31 Sec. 12. UNIFORM REDUCTIONS. The general assembly
32 finds that the provisions of this division of this Act
33 will result in reductions in appropriations that would
34 otherwise be made from the general fund of the state
35 for the fiscal year beginning July 1, 2003, that total
36 \$70,000,000. If the governor vetoes a portion of this
37 division of this Act, the governor shall order uniform
38 reductions in appropriations allotments as provided in
39 section 8.31, in an amount equal to the appropriations
40 that are made as a result of the veto.

41 Sec. 13. EFFECTIVE DATE. The section of this
42 division of this Act that voids the revaluation of
43 machinery, equipment, and computers, being deemed of
44 immediate importance, takes effect upon enactment.

45 DIVISION II

46 PARKING TICKETS

47 Sec. 14. Section 321.236, subsection 1, paragraph
48 a, Code 2003, is amended to read as follows:

49 a. May be charged and collected upon a simple
50 notice of a fine payable to the city clerk or clerk of

1 the district court, if authorized by ordinance. The
2 fine shall not exceed five dollars except for snow

3 ~~route parking violations in which case the fine shall~~
4 ~~not exceed twenty-five dollars for each violation~~
5 ~~charged under a simple notice of a fine shall be~~
6 ~~established by ordinance.~~ The fine may be increased
7 ~~up to ten by five~~ dollars if the parking violation is
8 not paid within thirty days of the date upon which the
9 violation occurred, if authorized by ordinance.
10 Violations of section 321L.4, subsection 2, may be
11 charged and collected upon a simple notice of a one
12 hundred dollar fine payable to the city clerk or clerk
13 of the district court, if authorized by ordinance. No
14 costs or other charges shall be assessed. All fines
15 collected by a city pursuant to this paragraph shall
16 be retained by the city and all fines collected by a
17 county pursuant to this paragraph shall be retained by
18 the county.

19 Sec. 15. Section 805.8A, subsection 1, paragraph
20 a, Code 2003, is amended to read as follows:
21 a. For parking violations under sections 321.236,
22 321.239, 321.358, 321.360, and 321.361, the scheduled
23 fine is five dollars, except if the local authority
24 has established the fine by ordinance pursuant to
25 section 321.236, subsection 1. The scheduled fine for
26 a parking violation of pursuant to section 321.236
27 ~~increases in an amount up to ten by five~~ dollars, as
28 authorized by ordinance pursuant to section 321.236,
29 subsection 1, ~~paragraph "a",~~ if the parking violation
30 is not paid within thirty days of the date upon which
31 the violation occurred. For purposes of calculating
32 the unsecured appearance bond required under section
33 805.6, the scheduled fine shall be five dollars, or if
34 the amount of the fine is greater than five dollars,
35 the unsecured appearance bond shall be the amount of
36 the fine established by the local authority pursuant
37 to section 321.236, subsection 1. However, violations
38 charged by a city or county upon simple notice of a
39 fine instead of a uniform citation and complaint as
40 permitted by section 321.236, subsection 1, paragraph
41 "a", are not scheduled violations, and this section
42 shall not apply to any offense charged in that manner.
43 For a parking violation under section 321.362 or
44 461A.38, the scheduled fine is ten dollars.

DIVISION III

LAW ENFORCEMENT ACADEMY

47 Sec. 16. NEW SECTION. 80B.11E ACADEMY TRAINING -
48 APPLICATION BY INDIVIDUAL - INDIVIDUAL EXPENSE.
49 1. Notwithstanding any other provision of law to
50 the contrary, an individual who is not a certified law

2 law enforcement academy at their own expense if such
3 individual is sponsored by a law enforcement agency
4 that either intends to hire or has hired the
5 individual as a law enforcement officer on the
6 condition that the individual meets the minimum
7 eligibility standards described in subsection 2.

8 2. An individual who submits an application
9 pursuant to subsection 1 shall, at a minimum, meet all
10 minimum hiring standards as established by academy
11 rules, including the successful completion of certain
12 psychological and physical testing examinations. In
13 addition, such individual shall be of good moral
14 character as determined by a thorough background
15 investigation by the academy for a fee. For such
16 purposes, the academy shall have the authority to
17 conduct a background investigation of the individual,
18 including a fingerprint search of local, state, and
19 national fingerprint files.

20 3. An individual shall not be granted permission
21 to attend an academy training program if such
22 acceptance would result in the nonacceptance of
23 another qualifying applicant who is a law enforcement
24 officer.

25 4. An individual who has not been hired by a law
26 enforcement agency must be hired by a law enforcement
27 agency within eighteen months of completing the
28 appropriate coursework at the law enforcement academy
29 in order to obtain certification pursuant to this
30 section.

31 DIVISION IV

32 BUDGET

33 Sec. 17. Section 331.436, Code 2003, is amended to
34 read as follows:

35 331.436 PROTEST.

36 Protests to the adopted budget must be made in
37 accordance with sections 24.27 through 24.32 as if the
38 county were the municipality under those sections
39 except that the number of people necessary to file a
40 protest under this section shall not be less than one
41 hundred.

42 DIVISION V

43 INDEBTEDNESS REPORTING – COLLECTION OF TAXES

44 Sec. 18. Section 403.23, subsection 1, Code 2003,
45 is amended by striking the subsection and inserting in
46 lieu thereof the following:

47 1. On or before December 1 of each odd-numbered
48 year, each municipality that has established an urban
49 renewal area shall report to the department of
50 management and to the appropriate county auditor the

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1 total amount of loans, advances, indebtedness, or
2 bonds outstanding at the close of the most recently
3 ended fiscal year, which qualify for payment from the
4 special fund created in section 403.19, including
5 interest negotiated on such loans, advances,
6 indebtedness, or bonds. For purposes of this
7 subsection, "indebtedness" includes written agreements
8 whereby the municipality agrees to suspend, abate,
9 exempt, rebate, refund, or reimburse property taxes,
10 or provide a grant for property taxes paid, with
11 moneys in the special fund. The amount of loans,
12 advances, indebtedness, or bonds shall be listed in
13 the aggregate for each municipality reporting.

14 Sec. 19. Section 403.23, subsections 2 and 3, Code
15 2003, are amended to read as follows:

16 2. At the request of the legislative fiscal
17 bureau, the department of management shall provide the
18 reports and additional information to the legislative
19 fiscal bureau. The department of management, in
20 consultation with the legislative fiscal bureau, shall
21 determine reporting criteria and shall prepare a form
22 for reports filed with the department pursuant to this
23 section. The department shall make the form available
24 by electronic means.

25 3. If a municipality does not file the ~~annual~~
26 report with the department of management and the
27 county auditor by December 1 of each odd-numbered
28 year, the county treasurer shall withhold disbursement
29 of incremental taxes to the municipality until the
30 ~~annual~~ report is filed beginning immediately with the
31 next following disbursement of taxes. The county
32 auditor shall notify the county treasurer if taxes are
33 to be withheld.

34 Sec. 20. Section 631.1, Code 2003, is amended by
35 adding the following new subsection:

36 NEW SUBSECTION. 7. The district court sitting in
37 small claims has concurrent jurisdiction of an action
38 for the collection of taxes brought by a county
39 treasurer pursuant to sections 445.3 and 445.4 where
40 the amount in controversy is five thousand dollars or
41 less for actions commenced on or after July 1, 2003,
42 exclusive of interest and costs.

43 DIVISION VI

44 MUNICIPAL AND COUNTY INFRACTIONS

45 Sec. 21. Section 331.302, subsection 15, Code
46 2003, is amended to read as follows:

47 15. A county shall not provide a civil penalty in
48 excess of five ~~seven~~ hundred fifty dollars for the
49 violation of an ordinance which is classified as a
50 county infraction or if the infraction is a repeat

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1 offense, a civil penalty not to exceed ~~seven hundred~~
2 ~~fifty one thousand~~ dollars for each repeat offense. A
3 county infraction is not punishable by imprisonment.

4 Sec. 22. Section 331.307, subsection 1, Code 2003,
5 is amended to read as follows:

6 1. A county infraction is a civil offense
7 punishable by a civil penalty of not more than ~~five~~
8 ~~seven hundred fifty~~ dollars for each violation or if
9 the infraction is a repeat offense a civil penalty not
10 to exceed ~~seven hundred fifty one thousand~~ dollars for
11 each repeat offense.

12 Sec. 23. Section 364.3, subsection 6, Code 2003,
13 is amended to read as follows:

14 6. A city shall not provide a civil penalty in
15 excess of ~~five seven~~ hundred ~~fifty~~ dollars for the
16 violation of an ordinance which is classified as a
17 municipal infraction or if the infraction is a repeat
18 offense, a civil penalty not to exceed ~~seven hundred~~
19 ~~fifty one thousand~~ dollars for each repeat offense. A
20 municipal infraction is not punishable by
21 imprisonment.

22 Sec. 24. Section 364.22, subsection 1, unnumbered
23 paragraph 1, Code 2003, is amended to read as follows:

24 a municipal infraction is a civil offense
25 punishable by a civil penalty of not more than ~~five~~
26 ~~seven hundred fifty~~ dollars for each violation or if
27 the infraction is a repeat offense, a civil penalty
28 not to exceed ~~seven hundred fifty one thousand~~ dollars
29 for each repeat offense. However, notwithstanding
30 section 364.3, a municipal infraction arising from
31 noncompliance with a pretreatment standard or
32 requirement, referred to in 40 C.F.R. } 403.8, by an
33 industrial user may be punishable by a civil penalty
34 of not more than one thousand dollars for each day a
35 violation exists or continues.

36 DIVISION VII

37 TRANSACTION FEE

38 Sec. 25. NEW SECTION. 331.605C ELECTRONIC
39 TRANSACTION FEE – AUDIT.

40 1. For the fiscal year beginning July 1, 2003, and
41 ending June 30, 2004, the recorder shall collect a fee
42 of five dollars for each recorded transaction for
43 which a fee is paid pursuant to section 331.604 to be
44 used for the purposes of planning and implementing
45 electronic recording and electronic transactions in
46 each county and developing county and statewide
47 internet websites to provide electronic access to
48 records and information.

49 2. Beginning July 1, 2004, the recorder shall
50 collect a fee of one dollar for each recorded

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1 transaction for which a fee is paid pursuant to
2 section 331.604 to be used for the purpose of paying
3 the county's ongoing costs of maintaining the systems
4 developed and implemented under subsection 1.

5 3. The county treasurer, on behalf of the
6 recorder, shall establish and maintain an interest-
7 bearing account into which all moneys collected
8 pursuant to subsections 1 and 2 shall be deposited.

9 4. The state government electronic transaction
10 fund is established in the office of the treasurer of
11 state under the control of the treasurer of state.
12 Moneys deposited into the fund are not subject to
13 section 8.33. Notwithstanding section 12C.7, interest
14 or earnings on moneys in the state government
15 electronic transaction fund shall be credited to the
16 fund. Moneys in the state government electronic
17 transaction fund are not subject to transfer,
18 appropriation, or reversion to any other fund, or any
19 other use except as provided in this subsection. The
20 treasurer of state shall enter into a contract with
21 the Iowa state association of counties affiliate
22 representing county recorders to develop, implement,
23 and maintain a statewide internet website for purposes
24 of providing electronic access to records and
25 information recorded or filed by county recorders. On
26 a monthly basis, the county treasurer shall pay one
27 dollar of each fee collected pursuant to subsection 1
28 to the treasurer of state for deposit into the state
29 government electronic transaction fund. Moneys
30 credited to the state government electronic
31 transaction fund are appropriated to the treasurer of
32 state to be used for contract costs. This subsection
33 is repealed June 30, 2004.

34 5. The pooled local government electronic
35 transaction fund is established in the office of the
36 treasurer of state under control of the treasurer of
37 state. Moneys deposited into the fund are not subject
38 to section 8.33. Notwithstanding section 12C.7,
39 interest or earnings on moneys in the pooled local
40 government electronic transaction fund shall be
41 credited to the fund. Moneys in the fund are not
42 subject to transfer, appropriation, or reversion to
43 any other fund, or any other use except as provided in
44 this subsection. On a quarterly basis, the county
45 treasurer shall pay four dollars of each fee collected
46 pursuant to subsection 1 and all fees collected
47 pursuant to subsection 2, to the treasurer of state
48 for deposit into the pooled local government
49 electronic transaction fund. Moneys credited to the
50 pooled local government electronic transaction fund

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1 are appropriated to the treasurer of state to be
2 distributed equally to all counties and paid to the
3 county treasurers of each county within thirty days
4 after the moneys are received by the treasurer of
5 state. Moneys received by a county treasurer pursuant
6 to this subsection shall be deposited into the account
7 established and maintained by the county treasurer on
8 behalf of the county recorder under subsection 3, and
9 shall be used by the county recorder for the purposes
10 set forth in subsections 1 and 2.

11 6. The recorder shall make available any
12 information required by the county auditor or auditor
13 of state concerning the fees collected under this
14 section for the purposes of determining the amount of
15 fees collected and the uses for which such fees are
16 expended.

17 DIVISION VIII

18 LOCAL GOVERNMENT LEASES

19 Sec. 26. Section 346.27, Code 2003, is amended by
20 adding the following new subsection:

21 NEW SUBSECTION. 26. Any incorporating unit may
22 enter into a lease with an authority that the
23 authority and the incorporating unit determine is
24 necessary and convenient to effectuate their purposes
25 and the purposes of this section. The power to enter
26 into leases under this section is in addition to other
27 powers granted to cities and counties to enter into
28 leases and the provisions of chapter 75, section
29 364.4, subsection 4, and section 331.301, subsection
30 10, are not applicable to leases entered into under
31 this section.

32 DIVISION IX

33 LOCAL GOVERNMENT INNOVATION FUND

34 Sec. 27. NEW SECTION. 8.64 LOCAL GOVERNMENT
35 INNOVATION FUND – COMMITTEE – LOANS.

36 1. The local government innovation fund is created
37 in the state treasury under the control of the
38 department of management for the purpose of
39 stimulating and encouraging innovation in local
40 government by the awarding of loans to cities and
41 counties.

42 2. The director of the department of management
43 shall establish a seven-member committee to be called
44 the local government innovation fund committee.
45 Committee members shall have expertise in local
46 government. The committee shall review all requests
47 for funds and approve loans of funds if the committee
48 determines that a city or county project that is the
49 subject of a request would result in cost savings,
50 innovative approaches to service delivery, or added

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1 revenue to the city, county, or state. Eligible
2 projects are projects which cannot be funded from a
3 city's or county's operating budget without adversely
4 affecting the city's or county's normal service
5 levels. Preference shall be given to requests
6 involving the sharing of services between two or more
7 local governments. Projects may include, but are not
8 limited to, purchase of advanced technology,
9 contracting for expert services, and acquisition of
10 equipment or supplies.

11 3. A city or county seeking a loan from the local
12 government innovation fund shall complete an
13 application form designed by the local government
14 innovation fund committee which employs a return on
15 investment concept and demonstrates how the project
16 funded by the loan will result in reduced city,
17 county, or state general fund expenditures or how city
18 or county fund revenues will increase without an
19 increase in state costs. Minimum loan requirements
20 for city or county requests shall be determined by the
21 committee.

22 4. a. In order for the local government
23 innovation fund to be self-supporting, the local
24 government innovation fund committee shall establish
25 repayment schedules for each loan awarded. The loan
26 requirements shall be outlined in a chapter 28E
27 agreement executed between the state and the city or
28 county receiving the loan. A city or county shall
29 repay the loan over a period not to exceed five years,
30 with interest, at a rate to be determined by the local
31 government innovation fund committee.

32 b. The local government innovation fund committee
33 shall utilize the department of management, the
34 department of revenue and finance, or other source of
35 technical expertise designated by the committee to
36 certify savings projected for a local government
37 innovation fund project.

38 5. Notwithstanding section 12C.7, subsection 2,
39 interest or earnings on moneys deposited in the local
40 government innovation fund shall be credited to the
41 local government innovation fund. Notwithstanding
42 section 8.33, moneys appropriated to and moneys
43 remaining in the local government innovation fund at
44 the end of a fiscal year shall not revert to the
45 general fund of the state.

46 Sec. 28. LOCAL GOVERNMENT INNOVATION FUND,
47 APPROPRIATION. There is appropriated from the general
48 fund of the state to the department of management for
49 the fiscal year beginning July 1, 2003, and ending
50 June 30, 2004, the following amount, or so much

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1 thereof as is necessary, to be used for the purpose
2 designated:

3 For deposit in the local government innovation fund
4 created in section 8.64:

5 \$ 10,000,000

6 Notwithstanding section 8.64, subsection 4, as
7 enacted by this division of this Act, the local
8 government innovation fund committee may provide up to
9 20 percent of the amount appropriated in this section
10 in the form of forgivable loans or as grants for those
11 projects that propose a new and innovative sharing
12 initiative that would serve as an important model for
13 cities and counties.

14 DIVISION X

15 STUDY OF CITY AND COUNTY REGULATION BY THE
16 DEPARTMENT OF NATURAL RESOURCES

17 Sec. 29. STUDY. The legislative council shall
18 establish a study committee for the 2003 interim to
19 review the department of natural resources'
20 enforcement and penalty policies relating to
21 regulation of cities and counties. The study
22 committee shall review options for changing the
23 department's approach to enforcement from reliance on
24 punitive measures to a collaborative approach. In
25 addition, the amounts of fines shall be reviewed along
26 with the possibility of designating a portion of a
27 fine to be applied against the costs of compliance
28 with the departmental regulation.

29 DIVISION XI

30 CHARGE FOR CAPITAL ASSETS

31 Sec. 30. CHARGE FOR CAPITAL ASSETS. For the
32 fiscal year beginning July 1, 2003, and ending June
33 30, 2004, the department of management shall levy a
34 charge against departments and establishments, as
35 defined in section 8.2, for indirect costs associated
36 with state ownership of land, buildings, equipment, or
37 other capital assets controlled by a department or
38 establishment. The charges shall not be levied
39 against capital assets that are subject to charges
40 levied by the department of administrative services,
41 if the department is established by law, or against
42 capital assets controlled by the state board of
43 regents. Moneys received as a result of charges made
44 under this section shall be transferred to the fund
45 from which the moneys were originally appropriated.
46 The total amount of charges levied under this section
47 that are associated with appropriations made from the
48 general fund of the state for the fiscal year shall
49 not exceed \$1,720,000.

50 Sec. 31. CHARGE FOR CAPITAL – APPROPRIATIONS

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1 REDUCTION - STATE BOARD OF REGENTS - STUDY.

2 1. In lieu of applying a charge for capital assets
3 to the institutions under the control of the state
4 board of regents as otherwise provided in this
5 division for executive branch agencies, the
6 appropriations made from the general fund of the state
7 to the state board of regents for the general
8 university operating budgets at the state university
9 of Iowa, Iowa state university of science and
10 technology, and university of northern Iowa, in 2003
11 Iowa Acts, House File 662, section 9, subsections 2,
12 3, and 4, are reduced by \$17,880,000. The state board
13 of regents shall apply the reduction as follows:

14 state university of Iowa, 46.7 percent, Iowa state
15 university of science and technology, 36.8 percent,
16 and university of northern Iowa, 16.5 percent.
17 2. The legislative council shall authorize a study
18 for the 2003 legislative interim on the policy option
19 of levying charges for capital assets against all
20 state agencies, including the state board of regents.
21 The study recommendations and findings shall include
22 but are not limited to identification of the capital
23 assets that should be subject to charges and how
24 capital assets funded by sources other than state
25 funding should be charged. The study report,
26 including findings and recommendations, shall be
27 submitted to the general assembly for consideration
28 during the 2004 legislative session. The study shall
29 be conducted by a study committee consisting of the
30 following: one member designated by the state board
31 of regents, one member representing the department of
32 management designated by the department's director,
33 one member representing the state department of
34 transportation appointed by the department's director,
35 one member representing the judicial branch appointed
36 by the chief justice of the supreme court, one member
37 who is a member of the general assembly jointly
38 appointed by the majority leader of the senate and the
39 speaker of the house of representatives, and one
40 member who is a member of the general assembly jointly
41 appointed by the minority leader of the senate and the
42 minority leader of the house of representatives. A
43 chairperson or cochairpersons shall be designated by
44 the legislative council.

45 DIVISION XII

46 CHARTER AGENCIES

47 Sec. 32. NEW SECTION. 7J.1 CHARTER AGENCIES.

48 1. DESIGNATION OF CHARTER AGENCIES - PURPOSE.

49 The governor may, by executive order, designate up to
50 five state departments or agencies, as described in

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1 section 7E.5, other than the department of
2 administrative services, if the department is
3 established in law, or the department of management,
4 as a charter agency by July 1, 2003. The designation
5 of a charter agency shall be for a period of five
6 years which shall terminate as of June 30, 2008. The
7 purpose of designating a charter agency is to grant
8 the agency additional authority as provided by this
9 chapter while reducing the total appropriations to the
10 agency.

11 2. CHARTER AGENCY DIRECTORS.

12 a. Prior to each fiscal year, or as soon
13 thereafter as possible, the governor and each director
14 of a designated charter agency shall enter into an
15 annual performance agreement which shall set forth
16 measurable organization and individual goals for the
17 director in key operational areas of the director's
18 agency. The annual performance agreement shall be
19 made public and a copy of the agreement shall be
20 submitted to the general assembly.

21 b. In addition to the authority granted the
22 governor as to the appointment and removal of a
23 director of an agency that is a charter agency, the
24 governor may remove a director of a charter agency for
25 misconduct or for failure to achieve the performance
26 goals set forth in the annual performance agreement.

27 c. Notwithstanding any provision of law to the
28 contrary, the governor may set the salary of a
29 director of a charter agency under the pay plan for
30 exempt positions in the executive branch of
31 government. In addition, the governor may authorize
32 the payment of a bonus to a director of a charter
33 agency in an amount not in excess of fifty percent of
34 the director's annual rate of pay, based upon the
35 governor's evaluation of the director's performance in
36 relation to the goals set forth in the annual
37 performance agreement.

38 d. A director of a charter agency may authorize
39 the payment of bonuses to employees of the charter
40 agency in a total amount not in excess of fifty
41 percent of the director's annual rate of pay, based
42 upon the director's evaluation of the employees'
43 performance.

44 3. APPROPRIATIONS AND ASSET MANAGEMENT.

45 a. It is the intent of the general assembly that
46 appropriations to a charter agency for any fiscal year
47 shall be reduced, with a target reduction of ten
48 percent for each charter agency, from the
49 appropriation that would otherwise have been enacted
50 for that charter agency.

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1 b. Notwithstanding any provision of law to the
2 contrary, proceeds from the sale or lease of capital
3 assets that are under the control of a charter agency
4 shall be retained by the charter agency and used for
5 such purposes within the scope of the responsibilities
6 of the charter agency.

7 c. Notwithstanding section 8.33, one-half of all
8 unencumbered or unobligated balances of appropriations
9 made for each fiscal year of that fiscal period to the
10 charter agency shall not revert to the state treasury
11 or to the credit of the funds from which the
12 appropriations were made.

13 d. For the fiscal period beginning July 1, 2003,
14 and ending June 30, 2005, a charter agency is not
15 subject to a uniform reduction ordered by the governor
16 in accordance with section 8.31.

17 4. PERSONNEL MANAGEMENT.

18 a. Notwithstanding any provision of law to the
19 contrary, a charter agency shall not be subject to any
20 limitation relating to the number of or pay grade
21 assigned to its employees, including any limitation on
22 the number of full-time equivalent positions as
23 defined by section 8.36A.

24 b. A charter agency may waive any personnel rule
25 and may exercise the authority granted to the
26 department of personnel, or its successor, relating to
27 personnel management concerning employees of the
28 charter agency, subject to any restrictions on such
29 authority as to employees of the charter agency
30 covered by a collective bargaining agreement. The
31 exclusive representative of employees of a charter
32 agency may enter into agreements with the charter
33 agency to grant the charter agency the authority
34 described in this paragraph. A waiver of a rule
35 pursuant to this subsection shall be indexed, filed,
36 and made available for public inspection in the same
37 manner as provided in section 17A.9A, subsection 4.

38 5. PROCUREMENT AND GENERAL SERVICES. A charter
39 agency may waive any administrative rule regarding
40 procurement, fleet management, printing and copying,
41 or maintenance of buildings and grounds, and may
42 exercise the authority of the department of general
43 services, or its successor, as it relates to the
44 physical resources of the state. A waiver of a rule
45 pursuant to this subsection shall be indexed, filed,
46 and made available for public inspection in the same
47 manner as provided in section 17A.9A, subsection 4.

48 6. INFORMATION TECHNOLOGY. A charter agency may
49 waive any administrative rule regarding the
50 acquisition and use of information technology and may

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1 exercise the powers of the information technology
2 department, or its successor, as it relates to
3 information technology. A waiver of a rule pursuant
4 to this subsection shall be indexed, filed, and made
5 available for public inspection in the same manner as
6 provided in section 17A.9A, subsection 4.

7 7. RULE FLEXIBILITY.

8 a. A charter agency may temporarily waive or
9 suspend the provisions of any administrative rule if
10 strict compliance with the rule impacts the ability of
11 the charter agency requesting the waiver or suspension
12 to perform its duties in a more cost-efficient manner
13 and the requirements of this subsection are met.

14 b. The procedure for granting a temporary waiver
15 or suspension of any administrative rule shall be as
16 follows:

17 (1) The charter agency may waive or suspend a rule
18 if the agency finds, based on clear and convincing
19 evidence, all of the following:

20 (a) The application of the rule poses an undue
21 financial hardship on the applicable charter agency.

22 (b) The waiver or suspension from the requirements
23 of a rule in the specific case would not prejudice the
24 substantial legal rights of any person.

25 (c) Substantially equal protection of public
26 health, safety, and welfare will be afforded by a
27 means other than that prescribed in the particular
28 rule for which the waiver or suspension is requested.

29 (d) The waiver or suspension would not result in a
30 violation of due process, a violation of state or
31 federal law, or a violation of the state or federal
32 constitution.

33 (2) If a charter agency proposes to grant a waiver
34 or suspension, the charter agency shall draft the
35 waiver or suspension so as to provide the narrowest
36 exception possible to the provisions of the rule and
37 may place any condition on the waiver or suspension
38 that the charter agency finds desirable to protect the
39 public health, safety, and welfare. The charter
40 agency shall then submit the waiver or suspension to
41 the administrative rules review committee for
42 consideration at the committee's next scheduled
43 meeting.

44 (3) The administrative rules review committee
45 shall review the proposed waiver or suspension at the
46 committee's next scheduled meeting following
47 submission of the proposal and may either take no
48 action or affirmatively approve the waiver or
49 suspension, or delay the effective date of the waiver
50 or suspension in the same manner as for rules as

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1 provided in section 17A.4, subsection 5, and section
2 17A.8, subsection 9. If the administrative rules
3 review committee either approves or takes no action
4 concerning the proposed waiver or suspension, the
5 waiver or suspension may become effective no earlier
6 than the day following the meeting. If the
7 administrative rules review committee delays the
8 effective date of the waiver or suspension but no
9 further action is taken to rescind the waiver or
10 suspension, the proposed waiver or suspension may
11 become effective no earlier than upon the conclusion
12 of the delay. The administrative rules review
13 committee shall notify the applicable charter agency
14 of its action concerning the proposed waiver or
15 suspension.

16 (4) Copies of the grant or denial of a waiver or
17 suspension under this subsection shall be filed and
18 made available to the public by the applicable charter
19 agency.

20 c. A waiver or suspension granted pursuant to this
21 subsection shall be for a period of time not to exceed
22 twelve months or until June 30, 2008, whichever first
23 occurs, and as determined by the applicable charter
24 agency. A renewal of a temporary waiver or suspension
25 granted pursuant to this section shall be granted or
26 denied in the same manner as the initial waiver or
27 suspension.

28 8. REPORTING REQUIREMENTS.

29 a. Each charter agency shall submit a written
30 report to the general assembly by December 31 of each
31 year summarizing the activities of the charter agency
32 for the preceding fiscal year. The report shall
33 include information concerning the expenditures of the
34 agency and the number of filled full-time equivalent
35 positions during the preceding fiscal year. The
36 report shall include information relating to the
37 actions taken by the agency pursuant to the authority
38 granted by this section.

39 b. By January 15, 2008, the governor shall submit
40 a written report to the general assembly on the
41 operation and effectiveness of this chapter and the
42 costs and savings associated with the implementation
43 of this chapter. The report shall include any
44 recommendations about extending the chapter's
45 effectiveness beyond June 30, 2008.

46 9. DEPARTMENT OF MANAGEMENT REVIEW. Each proposed
47 waiver or suspension of an administrative rule as
48 authorized by this section shall be submitted to the
49 department of management for review prior to the
50 waiver or suspension becoming effective. The director

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1 of the department of management may disapprove the
2 waiver or suspension if, based on clear and convincing
3 evidence, the director determines that the suspension
4 or waiver would result in an adverse financial impact
5 on the state.

6 Sec. 33. NEW SECTION. 7J.2 CHARTER AGENCY LOAN
7 FUND.

8 1. A charter agency loan fund is created in the
9 state treasury under the control of the department of
10 management for the purpose of providing funding to
11 support innovation by those state agencies designated
12 as charter agencies in accordance with section 7J.1.
13 Innovation purposes shall include but are not limited
14 to training, development of outcome measurement
15 systems, management system modifications, and other
16 modifications associated with transition of operations
17 to charter agency status. Moneys in the fund are
18 appropriated to the department of management for the
19 purposes described in this subsection.

20 2. A charter agency requesting a loan from the
21 fund shall complete an application process designated
22 by the director of the department of management.
23 Minimum loan requirements for charter agency requests
24 shall be determined by the director.

25 3. In order for the fund to be self-supporting,
26 the director of the department of management shall
27 establish repayment schedules for each loan awarded.
28 An agency shall repay the loan over a period not to
29 exceed five years with interest, at a rate to be
30 determined by the director.

31 4. Notwithstanding section 12C.7, subsection 2,
32 interest or earnings on moneys deposited in the
33 charter agency loan fund shall be credited to the
34 charter agency loan fund. Notwithstanding section
35 8.33, moneys credited to the charter agency loan fund
36 shall not revert to the fund from which appropriated
37 at the close of a fiscal year.

38 Sec. 34. NEW SECTION. 7J.3 REPEAL. This chapter
39 is repealed June 30, 2008.

40 Sec. 35. CHARTER AGENCY APPROPRIATIONS.

41 1. Notwithstanding any provision of law to the
42 contrary, the total appropriations from the general
43 fund of the state to those departments and agencies
44 designated as charter agencies for the fiscal year
45 beginning July 1, 2003, and ending June 30, 2004, as
46 provided by the appropriation to those agencies as
47 enacted by the Eightieth General Assembly, 2003
48 Regular Session, shall be reduced by \$15,000,000. The
49 department of management shall apply the appropriation
50 reductions, with a target of a 10 percent reduction

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1 for each charter agency, as necessary to achieve the
2 overall reduction amount and shall make this
3 information available to the legislative fiscal
4 committee and the legislative fiscal bureau. It is
5 the intent of the general assembly that appropriations
6 to a charter agency in subsequent fiscal years shall
7 be similarly adjusted from the appropriation that
8 would otherwise have been enacted.

9 2. There is appropriated from the general fund of
10 the state to the department of management for the
11 fiscal year beginning July 1, 2003, and ending June
12 30, 2004, the following amount, or so much thereof as
13 is necessary, to be used for the purposes designated:

14 For deposit in the charter agency loan fund created
15 in section 7J.2:

16 \$ 3,000,000

17 3. For the fiscal year beginning July 1, 2003, and
18 ending June 30, 2004, if the actual amount of revenue
19 received by a charter agency exceeds the revenue
20 amount budgeted for that charter agency by the
21 governor and the general assembly, the charter agency
22 may consider the excess amount to be repayment
23 receipts as defined in section 8.2.

24 Sec. 36. EFFECTIVE DATE. This division of this
25 Act, being deemed of immediate importance, takes
26 effect upon enactment.

27 DIVISION XIII

28 HEALTH INSURANCE INCENTIVE

29 Sec. 37. STATE EMPLOYEE HEALTH INSURANCE COSTS -
30 INCENTIVE PROGRAM. The department of personnel, or
31 its successor, may establish, with the approval of the
32 executive council, an incentive program for state
33 employees to encourage the reduction of health
34 insurance costs for the fiscal year beginning July 1,
35 2003. If established, the incentive program shall
36 provide that an amount equal to one-half of any
37 savings realized through implementation of the program
38 shall be distributed to applicable insured state
39 employees in a manner established by the incentive
40 program. The department shall provide the legislative
41 government oversight committee with a copy of the
42 proposed incentive program submitted to the executive
43 council for approval. The department shall also
44 submit a written update to the legislative government
45 oversight committee by December 31, 2003, concerning
46 its progress in implementing an incentive program.

47 DIVISION XIV

48 AREA EDUCATION AGENCIES

49 Sec. 38. AREA EDUCATION AGENCY SERVICE DELIVERY
50 TASK FORCE.

Page 19

- 1 1. The department of education shall establish a
- 2 task force to study the delivery of media services,
- 3 educational services, and special education support
- 4 services by the area education agencies. The task
- 5 force shall study issues including, but not limited
- 6 to, all of the following:
- 7 a. The potentiality of a fee for services, such as
- 8 cooperative purchasing.
- 9 b. The potential effects of allowing school
- 10 districts to petition to join a noncontiguous area
- 11 education agency.
- 12 c. Opportunities for area education agencies to
- 13 collaborate with community colleges and other higher
- 14 education institutions, local libraries, and other
- 15 community providers.
- 16 d. Special education delivery by area education
- 17 agencies and school districts, including the state's
- 18 success in serving students identified as level I.
- 19 This portion of the study shall also include a review
- 20 of identification of students as level I; remediation,
- 21 the success of preventative programs, including but
- 22 not limited to, the early intervention block grant
- 23 program; intensive instruction and tutoring; and
- 24 appropriate reading instruction methodologies.
- 25 e. Reduction of special education funding
- 26 deficits, including a review of the use of state and
- 27 federal funds for special education and related
- 28 preventative programs.
- 29 2. The task force membership shall include all of
- 30 the following:
- 31 a. The director of the department of education or
- 32 the director's designee.
- 33 b. An area education agency administrator.
- 34 c. A person representing the interests of special
- 35 education students.
- 36 d. A superintendent of a district with an
- 37 enrollment of more than six hundred students.
- 38 e. A superintendent of a district with an
- 39 enrollment of six hundred or fewer students.
- 40 f. A person from the private sector with
- 41 experience in developing plans for cost savings.
- 42 g. A person who is a private provider of special
- 43 education services.
- 44 h. An administrator of an accredited nonpublic
- 45 school.
- 46 i. Ten members of the general assembly, including
- 47 five senators appointed by the president of the senate
- 48 after consultation with the majority and minority
- 49 leaders of the senate, and five representatives
- 50 appointed by the speaker of the house of

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1 representatives after consultation with the majority
2 and minority leaders of the house of representatives.

3 3. The department shall submit its findings and
4 recommendations in a report to the chairpersons and
5 ranking members of the senate and house standing
6 committees on education and the joint appropriations
7 subcommittee on education by December 15, 2003.

8 Sec. 39. SPECIAL EDUCATION SUPPORT SERVICES
9 BALANCE REDUCTION.

10 1. For the fiscal year beginning July 1, 2003, and
11 ending June 30, 2004, area education agency special
12 education support services fund balances shall be
13 reduced, with each area education agency remitting to
14 the state the following designated amount:

| | |
|--|--------------|
| 15 a. Area Education Agency 1 | \$ 517,120 |
| 16 b. Area Education Agency 4 | \$ 221,604 |
| 17 c. Area Education Agencies 3 and 5, and their 18 successor area education agency | \$ 995,807 |
| 19 d. Area Education Agencies 2, 6, 7, and their 20 successor area education agency | \$ 913,710 |
| 21 e. Area Education Agency 9 | \$ 468,138 |
| 22 f. Area Education Agency 10 | \$ 964,357 |
| 23 g. Area Education Agency 11 | \$ 3,620,018 |
| 24 h. Area Education Agency 12 | \$ 512,949 |
| 25 i. Area Education Agency 13 | \$ 666,285 |
| 26 j. Area Education Agency 14 | \$ 405,065 |
| 27 k. Area Education Agency 15 | \$ 413,282 |
| 28 l. Area Education Agency 16 | \$ 301,664 |

29 2. Notwithstanding the provisions of section
30 257.37, an area education agency may use the funds
31 determined to be available under section 257.35 in a
32 manner which it believes is appropriate to best
33 maintain the level of required area education agency
34 special education services. An area education agency
35 may also use unreserved fund balances for media
36 services or education services in a manner which it
37 believes is appropriate to best maintain the level of
38 required area education agency special education
39 services.

40 Sec. 40. Section 257.35, subsection 2, Code 2003,
41 is amended to read as follows:

42 2. Notwithstanding subsection 1, the state aid for
43 area education agencies and the portion of the
44 combined district cost calculated for these agencies
45 for each ~~the~~ fiscal year of the fiscal period
46 ~~beginning July 1, 2002, and ending June 30, 2004~~
47 beginning July 1, 2002, and each succeeding fiscal
48 year, shall be reduced by the department of management
49 by seven million five hundred thousand dollars. The
50 reduction for each area education agency shall be

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1 equal to the reduction that the agency received in the
2 fiscal year beginning July 1, 2001.

3 Sec. 41. Section 257.35, Code 2003, is amended by
4 adding the following new subsection:

5 **NEW SUBSECTION.** 3. Notwithstanding subsection 1,
6 and in addition to the reduction applicable pursuant
7 to subsection 2, the state aid for area education
8 agencies and the portion of the combined district cost
9 calculated for these agencies for the fiscal year
10 beginning July 1, 2003, and ending June 30, 2004,
11 shall be reduced by the department of management by
12 ten million dollars. The department shall calculate a
13 reduction such that each area education agency shall
14 receive a reduction proportionate to the amount that
15 it would otherwise have received under this section if
16 the reduction imposed pursuant to this subsection did
17 not apply.

18 Sec. 42. Section 257.37, subsection 6, Code 2003,
19 is amended to read as follows:

20 6. For the budget years year beginning July 1,
21 2002, and July 1, 2003 each succeeding budget year,
22 notwithstanding the requirements of this section for
23 determining the budgets and funding of media services
24 and education services, an area education agency may,
25 within the limits of the total of the funds provided
26 for the budget years pursuant to section 257.35,
27 expend for special education support services an
28 amount that exceeds the payment for special education
29 support services pursuant to section 257.35 in order
30 to maintain the level of required special education
31 support services in the area education agency.

32 Sec. 43. **EFFECTIVE DATE.** This division of this
33 Act, being deemed of immediate importance, takes
34 effect upon enactment.

35 DIVISION XV

36 CHILD WELFARE SERVICES

37 Sec. 44. **CHILD WELFARE SERVICES SYSTEM REDESIGN.**

38 1. **PURPOSE.** The department of human services
39 shall initiate a process for improving the outcomes
40 for families in this state who become involved with
41 the state system for child welfare and juvenile
42 justice by implementing a system redesign to
43 transition to an outcomes-based system for children
44 identified in this section. The outcomes-based system
45 shall be organized based upon the federal and state
46 child welfare outcomes and expectations and shall
47 address the following purposes for the children and
48 families involved with the state system:

49 a. Safety.

50 (1) Children are, first and foremost, protected

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- 1 from abuse and neglect.
- 2 (2) Children are safely maintained in the
- 3 children's homes with family, whenever possible.
- 4 b. Permanency.
- 5 (1) Children have permanency and stability in the
- 6 children's living situations.
- 7 (2) The continuity of children's family
- 8 relationships and community connections is preserved.
- 9 c. Child and family well-being.
- 10 (1) Family capacity to provide for the needs of
- 11 the children who are part of the family is enhanced.
- 12 (2) Children receive appropriate services to meet
- 13 the children's educational needs.
- 14 (3) Children receive additional services that are
- 15 appropriate to meet the children's physical and mental
- 16 health needs.
- 17 (4) Youth who are becoming adults and leaving the
- 18 service system for children will receive appropriate
- 19 services to make the transition to become self-
- 20 sufficient and contributing members of the community.
- 21 d. Public safety. Communities are protected from
- 22 juvenile crime.
- 23 e. Accountability. Communities are made whole
- 24 through completion of community service activities
- 25 assigned to juvenile offenders.
- 26 f. Rehabilitation. Youth receive appropriate
- 27 services and make measurable progress toward acquiring
- 28 the skills that are essential to law-abiding,
- 29 productive citizens.
- 30 2. CHILDREN INVOLVED. The service system redesign
- 31 shall address the needs of children who are referred
- 32 to the department of human services or juvenile court
- 33 services, including but not limited to all of the
- 34 following:
- 35 a. Children adjudicated as a child in need of
- 36 assistance under chapter 232.
- 37 b. Children adjudicated delinquent under chapter
- 38 232 or alleged to have committed a delinquent act and
- 39 identified in a police report or other formal
- 40 complaint received by juvenile court services.
- 41 c. Children subject to emergency removal under
- 42 chapter 232 or placed for emergency care under section
- 43 232.20 or 232.21.
- 44 d. Children identified through a child abuse
- 45 assessment conducted in accordance with section
- 46 232.71B as being at risk of harm from maltreatment due
- 47 to child abuse.
- 48 3. DESIGN PRINCIPLES. The service system redesign
- 49 shall incorporate all of the following design
- 50 principles:

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- 1 a. Outcomes can be achieved in the most efficient
- 2 and cost-effective manner possible.
- 3 b. The roles of public and private child welfare
- 4 staff and the state institutions in the redesigned
- 5 system's delivery model are clarified.
- 6 c. The financing structure maximizes state and
- 7 federal funding with as much flexibility as possible
- 8 and directs funds to services and other support based
- 9 upon the needs of children and families.
- 10 d. The methodology for purchasing performance
- 11 outcomes includes definitions of performance
- 12 expectations, reimbursement provisions, financial
- 13 incentives, provider flexibility provisions, and
- 14 viable protection provisions for children, the state,
- 15 and providers.
- 16 e. The regulatory and contract monitoring
- 17 approaches are designed to assure effective oversight
- 18 and quality and to address federal program and budget
- 19 accountability expectations, with appropriate
- 20 recognition of the need to balance the impact upon
- 21 service providers.
- 22 f. The administrative aspects address system
- 23 planning and support, data collection, management
- 24 information systems, training, policy development, and
- 25 budgeting.
- 26 4. DESIGN CONSIDERATIONS. The service system
- 27 redesign shall address all of the following design
- 28 considerations:
- 29 a. Successful outcome and performance-based system
- 30 changes made in other states and communities are
- 31 incorporated.
- 32 b. Linkages are made with the existing community
- 33 planning efforts and partnerships are promoted with
- 34 parents, the courts, the department, and service
- 35 providers. The redesign shall build upon successful
- 36 Iowa programs such as community partnerships for
- 37 protecting children, child welfare funding
- 38 decategorization projects, and quality service
- 39 reviews.
- 40 c. Federal program and budget accountability
- 41 expectations are addressed.
- 42 d. Linkages with other critical service systems
- 43 are effectively incorporated, including but not
- 44 limited to the systems for mental health, domestic
- 45 abuse, and substance abuse services, and the judicial
- 46 branch.
- 47 e. Options are considered for implementation of an
- 48 acuity-based, case rate system that offers bonuses or
- 49 other incentives for providers that achieve identified
- 50 results and for providers that are able to develop

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1 strategic and collaborative relationships with other
2 providers.

3 f. Policy options are developed to address the
4 needs of difficult-to-treat children, such as no-
5 eject, no-reject time periods.

6 g. Implementation of evidence-based and continuous
7 learning practices are promoted in the public and
8 private sectors in order to measure and improve
9 outcomes.

10 5. REDESIGN PLANNING PROCESS. The department of
11 human services shall implement an inclusive process
12 for the service system redesign utilizing a
13 stakeholder panel to involve a broad spectrum of input
14 into the redesign planning, design, implementation,
15 and evaluation process. The stakeholder panel
16 membership may include but is not limited to
17 representation from all of the following:

18 a. Service consumers.

19 b. Judicial branch and justice system.

20 c. Service providers.

21 d. Community-based collaboration efforts such as
22 child welfare decategorization projects and community
23 partnership for child protection projects.

24 e. Foster and adoptive parents.

25 f. Advocacy groups.

26 g. Departmental staff.

27 h. Education and special education practitioners.

28 i. Others.

29 6. LEGISLATIVE MONITORING. A six-member
30 legislative committee is established to monitor the
31 service system redesign planning and implementation.
32 The members shall be appointed as follows: two
33 members by the senate majority leader, one member by
34 the senate minority leader, two members by the speaker
35 of the house of representatives, and one member by the
36 minority leader of the house of representatives. The
37 committee shall provide advice and consultation to the
38 department and consider any legislative changes that
39 may be needed for implementation.

40 7. IMPLEMENTATION. The following implementation
41 provisions apply to the service system redesign:

42 a. Implementation of the redesign plan shall begin
43 no later than January 1, 2004.

44 b. The department of human services may adopt
45 emergency rules under section 17A.4, subsection 2, and
46 section 17A.5, subsection 2, paragraph "b", to
47 implement the provisions of this section and the rules
48 shall be effective immediately upon filing or on a
49 later date specified in the rules, unless the
50 effective date is delayed by the administrative rules

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1 review committee. Any rules adopted in accordance
2 with this paragraph shall not take effect before the
3 rules are reviewed by the administrative rules review
4 committee. The delay authority provided to the
5 administrative rules review committee under section
6 17A.4, subsection 5, and section 17A.8, subsection 9,
7 shall be applicable to a delay imposed under this
8 paragraph, notwithstanding a provision in those
9 sections making them inapplicable to section 17A.5,
10 subsection 2, paragraph "b". Any rules adopted in
11 accordance with this paragraph shall also be published
12 as a notice of intended action as provided in section
13 17A.4.

14 c. The director of human services shall seek any
15 federal waiver or federal plan amendment relating to
16 funding provided under Title IV-B, IV-E, or XIX of the
17 federal Social Security Act necessary to implement the
18 service system redesign.

19 8. STATUTORY REQUIREMENTS. The requirements of
20 sections 18.6 and 72.3 and the administrative rules
21 implementing section 8.47 are not applicable to the
22 services procurement process used to implement the
23 outcomes-based service system redesign in accordance
24 with this section. The department of human services
25 may enter into competitive negotiations and proposal
26 modifications with each successful contractor as
27 necessary to implement the provisions of this section.

28 9. APPROPRIATIONS REDUCTION. The appropriations
29 made from the general fund of the state to the
30 department of human services for the fiscal year
31 beginning July 1, 2003, and ending June 30, 2004, in
32 2003 Iowa Acts, House File 667, if enacted, for
33 services, staffing, and support related to the service
34 system redesign are reduced by \$10,000,000. The
35 governor shall apply the appropriations reductions on
36 or before January 1, 2004, following consultation with
37 the director of human services, the council on human
38 services, and the legislative monitoring committee
39 established pursuant to this section. The
40 appropriations subject to reduction shall include but
41 are not limited to the appropriations made for child
42 and family services, field operations, medical
43 assistance program, and general administration. The
44 appropriations reductions applied by the governor
45 shall be reported to the general assembly on the date
46 the reductions are applied. If the judicial branch
47 reports a revision to the judicial branch budget for
48 juvenile court services making a reduction as a result
49 of the service system redesign, the amount of the
50 reductions applied by the governor shall be reduced by

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1 the same amount.

2 Sec. 45. CHILD WELFARE SYSTEM REDESIGN. There is
3 appropriated from the general fund of the state to the
4 department of human services for the fiscal year
5 beginning July 1, 2003, and ending June 30, 2004, the
6 following amounts, or so much thereof as is necessary,
7 to be used for the purposes designated:

8 1. For training of service providers and
9 departmental employees in performance contracting, new
10 service roles, and other skills and information
11 related to the redesign of the child welfare service
12 system, and for the development of a statewide
13 information system for implementation of changes
14 associated with the service system redesign:

15 \$ 1,200,000

16 2. For deposit in a provider loan fund, which
17 shall be created in the office of the treasurer of
18 state under the authority of the department of human
19 services, to be used to assist child welfare service
20 providers with short-term cash flow needs:

21 \$ 1,000,000

22 Moneys in the provider loan fund are appropriated
23 to the department for use in accordance with this
24 subsection. The department shall determine the length
25 and interest rate for loans, if any. Loan repayment
26 proceeds shall be credited to the provider loan fund
27 and are appropriated to the department to be used for
28 other loans.

29 Sec. 46. Section 2C.9, Code 2003, is amended by
30 adding the following new subsection:

31 NEW SUBSECTION. 1A. Investigate, on complaint or
32 on the citizens' aide's own motion, any administrative
33 action of any person providing child welfare or
34 juvenile justice services under contract with an
35 agency that is subject to investigation by the
36 citizens' aide. The person shall be considered to be
37 an agency for purposes of the citizens' aide's
38 investigation.

39 DIVISION XVI

40 DEPARTMENT OF HUMAN SERVICES REINVENTION

41 Sec. 47. APPROPRIATIONS REDUCTION. The
42 appropriations made from the general fund of the state
43 for the fiscal year beginning July 1, 2003, and ending
44 June 30, 2004, to the department of human services in
45 2003 Iowa Acts, House File 667, if enacted, are
46 reduced by \$300,000 to reflect the anticipated savings
47 from the electronic payment of benefits and billings
48 implemented pursuant to this division of this Act.
49 The governor shall apply the appropriations reductions
50 on or before January 1, 2004, following consultation

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1 with the director of human services and the council on
2 human services. The appropriations reductions applied
3 by the governor shall be reported to the general
4 assembly on the date the reductions are applied.

5 Sec. 48. SYSTEM EFFICIENCIES – ELECTRONIC BILLING
6 AND PAYMENT – COMPATIBILITY – COMMUNICATIONS.

7 1. The department of human services shall develop
8 a plan to provide all provider payments under the
9 medical assistance program on an electronic basis by
10 June 30, 2005.

11 2. The department of human services shall submit a
12 plan to implement an electronic billing and payment
13 system for child care providers to the governor and
14 the general assembly by January 1, 2004.

15 3. In developing any billing, payment, or
16 eligibility systems, the department of human services
17 shall ensure that the systems are compatible.

18 4. The department of human services shall
19 investigate measures to increase effective and
20 efficient communications with clients, including but
21 not limited to reducing duplicative mailings, and
22 shall submit a report of recommendations to the
23 governor and the general assembly by January 1, 2004.

24 Sec. 49. MEDICAL ASSISTANCE PROGRAM REDESIGN.

25 1. The department of human services shall
26 establish a work group in cooperation with
27 representatives of the insurance industry to develop a
28 plan for the redesign of the medical assistance
29 program. In developing the redesign plan, the work
30 group shall consider all of the following:

31 a. Iowa's medical assistance program cannot be
32 sustained in a manner that provides care for
33 participants at the current rate of growth.

34 b. Iowans deserve a health care safety net that
35 provides health care that is timely, effective, and
36 responsive to individual needs.

37 c. Iowans would be better served, at a lower cost
38 to taxpayers, if persons who are at risk of becoming
39 medical assistance recipients due to their income,
40 health, and insurance status could be identified and
41 insured.

42 d. Iowa's children and families would benefit from
43 the use of a medical home model that links children
44 and families to an ongoing source of medical care that
45 ensures access to and appropriate utilization of
46 medical services including preventive services.

47 e. Iowa's senior population should have more
48 options available to address the population's health
49 care needs including home and community-based services
50 and assisted living.

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1 2. The redesign plan shall include measures such
2 as providing state funding for health care spending
3 accounts for families in the medical assistance
4 program in order to provide incentives for effective
5 health care cost management, providing an insurance-
6 like benefit package for those individuals with
7 extensive medical needs that emphasizes flexible and
8 preventive care through case management, moving to an
9 acuity-based reimbursement system for dually eligible
10 seniors, and developing an evidence-based
11 pharmaceutical program.

12 3. The department shall submit a progress report
13 of the work group's recommendations for medical
14 assistance program redesign to the governor and the
15 general assembly by January 15, 2004.

16 Sec. 50. MEDICAL ASSISTANCE APPROPRIATION
17 REDUCTION. The appropriation made from the general
18 fund of the state for the fiscal year beginning July
19 1, 2003, and ending June 30, 2004, to the department
20 of human services in 2003 Iowa Acts, House File 667,
21 if enacted, for medical assistance is reduced by
22 \$7,500,000.

23 Sec. 51. HOSPITAL TRUST FUND - MEDICAL ASSISTANCE
24 SUPPLEMENT.

25 1. Notwithstanding 2002 Iowa Acts, chapter 1003,
26 Second Extraordinary Session, sections 150 and 151, as
27 the sections relate to the hospital trust fund, moneys
28 shall not be transferred from the hospital trust fund
29 at the end of the fiscal year beginning July 1, 2003.

30 2. There is appropriated from the hospital trust
31 fund to the department of human services for the
32 fiscal year beginning July 1, 2003, and ending June
33 30, 2004, the following amount, or so much thereof as
34 is necessary to be used for the purposes designated:

35 To supplement the medical assistance appropriation
36 made in 2003 Iowa Acts, House File 667, if enacted:

37 \$ 14,000,000

38 The appropriation made in this subsection shall
39 include moneys in the hospital trust fund that remain
40 unencumbered or unobligated at the end of the fiscal
41 year beginning July 1, 2002, and ending June 30, 2003.

42 Sec. 52. IOWA JUVENILE HOME. The appropriation
43 made from the general fund of the state for the fiscal
44 year beginning July 1, 2003, and ending June 30, 2004,
45 to the department of human services in 2003 Iowa Acts,
46 House File 667, if enacted, for the Iowa juvenile home
47 at Toledo, is reduced by \$410,540.

48 Sec. 53. STATE TRAINING SCHOOL. The appropriation
49 made from the general fund of the state for the fiscal
50 year beginning July 1, 2003, and ending June 30, 2004,

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1 to the department of human services in 2003 Iowa Acts,
2 House File 667, if enacted, for the state training
3 school at Eldora is reduced by \$1,239,227.

4 Sec. 54. INDEPENDENCE MHI. The appropriation made
5 from the general fund of the state for the fiscal year
6 beginning July 1, 2003, and ending June 30, 2004, to
7 the department of human services in 2003 Iowa Acts,
8 House File 667, if enacted, for the state mental
9 health institute at Independence, is reduced by
10 \$544,192.

11 Sec. 55. NEW SECTION. 249A.32 PHARMACEUTICAL
12 SETTLEMENT ACCOUNT – MEDICAL ASSISTANCE PROGRAM.

13 1. A pharmaceutical settlement account is created
14 in the state treasury under the authority of the
15 department of human services. Moneys received from
16 settlements relating to provision of pharmaceuticals
17 under the medical assistance program shall be
18 deposited in the account.

19 2. Moneys in the account shall be used only as
20 provided in appropriations from the account to the
21 department for the purpose of technology upgrades
22 under the medical assistance program.

23 3. The account shall be separate from the general
24 fund of the state and shall not be considered part of
25 the general fund of the state. The moneys in the
26 account shall not be considered revenue of the state,
27 but rather shall be funds of the account. The moneys
28 in the account are not subject to reversion to the
29 general fund of the state under section 8.33 and shall
30 not be transferred, used, obligated, appropriated, or
31 otherwise encumbered, except to provide for the
32 purposes of this section. Notwithstanding section
33 12C.7, subsection 2, interest or earnings on moneys
34 deposited in the account shall be credited to the
35 account.

36 4. The treasurer of state shall provide a
37 quarterly report of account activities and balances to
38 the director.

39 Sec. 56. Section 256.7, subsection 10, Code 2003,
40 is amended to read as follows:

41 10. Adopt rules pursuant to chapter 17a relating
42 to educational programs and budget limitations for
43 educational programs pursuant to sections ~~282.28,~~
44 ~~282.29, 282.30, and 282.31, and 282.33.~~

45 Sec. 57. Section 282.32, Code 2003, is amended to
46 read as follows:

47 282.32 APPEAL.

48 An area education agency or local school district
49 may appeal a decision made pursuant to section ~~282.28~~
50 ~~or~~ 282.31 to the state board of education. The

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1 decision of the state board is final.

2 Sec. 58. NEW SECTION. 282.33 FUNDING FOR
3 CHILDREN RESIDING IN STATE MENTAL HEALTH INSTITUTES OR
4 INSTITUTIONS.

5 1. A child who resides in an institution for
6 children under the jurisdiction of the director of
7 human services referred to in section 218.1,
8 subsection 3, 5, 7, or 8, and who is not enrolled in
9 the educational program of the district of residence
10 of the child, shall receive appropriate educational
11 services. The institution in which the child resides
12 shall submit a proposed program and budget based on
13 the average daily attendance of the children residing
14 in the institution to the department of education and
15 the department of human services by January 1 for the
16 next succeeding school year. The department of
17 education shall review and approve or modify the
18 proposed program and budget and shall notify the
19 department of revenue and finance of its action by
20 February 1. The department of revenue and finance
21 shall pay the approved budget amount to the department
22 of human services in monthly installments beginning
23 September 15 and ending June 15 of the next succeeding
24 school year. The installments shall be as nearly
25 equal as possible as determined by the department of
26 revenue and finance, taking into consideration the
27 relative budget and cash position of the state's
28 resources. The department of revenue and finance
29 shall pay the approved budget amount for the
30 department of human services from the moneys
31 appropriated under section 257.16 and the department
32 of human services shall distribute the payment to the
33 institution. The institution shall submit an
34 accounting for the actual cost of the program to the
35 department of education by August 1 of the following
36 school year. The department shall review and approve
37 or modify all expenditures incurred in compliance with
38 the guidelines adopted pursuant to section 256.7,
39 subsection 10, and shall notify the department of
40 revenue and finance of the approved accounting amount.
41 The approved accounting amount shall be compared with
42 any amounts paid by the department of revenue and
43 finance to the department of human services and any
44 differences added to or subtracted from the October
45 payment made under this subsection for the next school
46 year. Any amount paid by the department of revenue
47 and finance shall be deducted monthly from the state
48 foundation aid paid under section 257.16 to all school
49 districts in the state during the subsequent fiscal
50 year. The portion of the total amount of the approved

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1 budget that shall be deducted from the state aid of a
2 school district shall be the same as the ratio that
3 the budget enrollment for the budget year of the
4 school district bears to the total budget enrollment
5 in the state for that budget year in which the
6 deduction is made.

7 2. Programs may be provided during the summer and
8 funded under this section if the institution
9 determines a valid educational reason to do so and the
10 department of education approves the program in the
11 manner provided in subsection 1.

12 Sec. 59. Section 282.28, Code 2003, is repealed.

13 Sec. 60. FY 2003-2004 FUNDING. For purposes of
14 providing funding for educational programs provided to
15 children residing in an institution for children under
16 the jurisdiction of the director of human services
17 referred to in section 218.1, subsection 3, 5, 7, or
18 8, the institution providing such programs to children
19 residing in the institution shall submit an estimated
20 proposed program and budget based on the estimated
21 average daily attendance of children who will likely
22 be provided educational programs during the fiscal
23 year beginning July 1, 2003, and ending June 30, 2004,
24 to the department of education and the department of
25 human services by August 1, 2003. The budget for the
26 institutions referred to in section 218.1, subsections
27 7 and 8, shall include funds to access services from
28 the area education agency in the manner in which the
29 services were accessed from the area education agency
30 in the fiscal year beginning July 1, 2002. The
31 department of education shall review and approve or
32 modify the proposed program and budget and shall
33 notify the department of revenue and finance of its
34 action by September 1, 2003. The department of
35 revenue and finance shall pay the approved budget
36 amount, and the department of human services shall
37 distribute payments, as provided in section 282.33.
38 Sec. 61. EFFECTIVE DATE. The section of this
39 division of this Act relating to appropriation of
40 moneys in the hospital trust fund, being deemed of
41 immediate importance, takes effect upon enactment.

42 DIVISION XVII

43 REINVENTION INVESTMENT

44 Sec. 62. DEPARTMENT OF MANAGEMENT. There is
45 appropriated from the general fund of the state to the
46 department of management for the fiscal year beginning
47 July 1, 2003, and ending June 30, 2004, the following
48 amount, or so much thereof as is necessary, to be used
49 for the purpose designated:

50 For investment in reinvention initiatives intended

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1 to produce ongoing savings, in addition to funds
2 appropriated for this purpose in 2003 Iowa Acts, House
3 File 655, section 11, subsection 3, if enacted:

4
5 \$ 1,350,000

6 DIVISION XVIII
7 IOWa LOTTERY AUTHORITY

8 Sec. 63. NEW SECTION. 99G.1 TITLE.

9 This chapter may be cited as the "Iowa Lottery
10 Authority Act".

11 Sec. 64. NEW SECTION. 99G.2 STATEMENT OF PURPOSE
12 AND INTENT.

13 The general assembly finds and declares the
14 following:

15 1. That net proceeds of lottery games conducted
16 pursuant to this chapter should be transferred to the
17 general fund of the state in support of a variety of
18 programs and services.

19 2. That lottery games are an entrepreneurial
20 enterprise and that the state should create a public
21 instrumentality of the state in the form of a
22 nonprofit authority known as the Iowa lottery
23 authority with comprehensive and extensive powers to
24 operate a state lottery in an entrepreneurial and
25 businesslike manner and which is accountable to the
26 governor, the general assembly, and the people of the
27 state through a system of audits, reports, legislative
28 oversight, and thorough financial disclosure as
29 required by this chapter.

30 3. That lottery games shall be operated and
31 managed in a manner that provides continuing
32 entertainment to the public, maximizes revenues, and
33 ensures that the lottery is operated with integrity
34 and dignity and free from political influence.

35 Sec. 65. NEW SECTION. 99G.3 DEFINITIONS.

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

38 1. "Administrative expenses" includes, but is not
39 limited to, personnel costs, travel, purchase of
40 equipment and all other expenses not directly
41 associated with the operation or sale of a game.

42 2. "Authority" means the Iowa lottery authority.

43 3. "Board" means the board of directors of the
44 authority.

45 4. "Chief executive officer" means the chief
46 executive officer of the authority.

47 5. "Game specific rules" means rules governing the
48 particular features of specific games, including, but
49 not limited to, setting the name, ticket price, prize
50 structure, and prize claim period of the game.

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- 1 6. "Instant lottery" or "instant ticket" means a
2 game that offers preprinted tickets such that when a
3 protective coating is scratched or scraped away, it
4 indicates immediately whether the player has won.
- 5 7. "Lottery", "lotteries", "lottery game",
6 "lottery games" or "lottery products" means any game
7 of chance approved by the board and operated pursuant
8 to this chapter and games using mechanical or
9 electronic devices, provided that the authority shall
10 not authorize a player-activated gaming machine that
11 utilizes an internal randomizer to determine winning
12 and nonwinning plays and that upon random internal
13 selection of a winning play dispenses coins, currency,
14 or a ticket, credit, or token to the player that is
15 redeemable for cash or a prize, and excluding gambling
16 or gaming conducted pursuant to chapter 99B, 99D, or
17 99F.
- 18 8. "Major procurement contract" means a consulting
19 agreement or a contract with a business organization
20 for the printing of tickets or the purchase or lease
21 of equipment or services essential to the operation of
22 a lottery game.
- 23 9. "Net proceeds" means all revenue derived from
24 the sale of lottery tickets or shares and all other
25 moneys derived from the lottery, less operating
26 expenses.
- 27 10. "On-line lotto" means a lottery game connected
28 to a central computer via telecommunications in which
29 the player selects a specified group of numbers,
30 symbols, or characters out of a predetermined range.
- 31 11. "Operating expenses" means all costs of doing
32 business, including, but not limited to, prizes and
33 associated prize reserves, computerized gaming system
34 vendor expense, instant and pull-tab ticket expense,
35 and other expenses directly associated with the
36 operation or sale of any game, compensation paid to
37 retailers, advertising and marketing costs, and
38 administrative expenses.
- 39 12. "Pull-tab ticket" or "pull-tab" means a game
40 that offers preprinted paper tickets with the play
41 data hidden beneath a protective tab or seal that when
42 opened reveals immediately whether the player has won.
- 43 13. "Retailer" means a person, licensed by the
44 authority, who sells lottery tickets or shares on
45 behalf of the authority pursuant to a contract.
- 46 14. "Share" means any intangible evidence of
47 participation in a lottery game.
- 48 15. "Ticket" means any tangible evidence issued by
49 the lottery to provide participation in a lottery
50 game.

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1 16. "Vendor" means a person who provides or
2 proposes to provide goods or services to the authority
3 pursuant to a major procurement contract, but does not
4 include an employee of the authority, a retailer, or a
5 state agency or instrumentality thereof.

6 Sec. 66. NEW SECTION. 99G.4 IOWA LOTTERY
7 AUTHORITY CREATED.

8 1. An Iowa lottery authority is created, effective
9 September 1, 2003, which shall administer the state
10 lottery. The authority shall be deemed to be a public
11 authority and an instrumentality of the state, and not
12 a state agency. However, the authority shall be
13 considered a state agency for purposes of chapters
14 17A, 21, 22, 28E, 68B, 91B, 97B, 509A, and 669.

15 2. The income and property of the authority shall
16 be exempt from all state and local taxes, and the sale
17 of lottery tickets and shares issued and sold by the
18 authority and its retail licensees shall be exempt
19 from all state and local sales taxes.

20 Sec. 67. NEW SECTION. 99G.5 CHIEF EXECUTIVE
21 OFFICER.

22 The chief executive officer of the authority shall
23 be appointed by the governor subject to confirmation
24 by the senate and shall serve a four-year term of
25 office beginning and ending as provided in section
26 69.19. The chief executive officer shall be qualified
27 by training and experience to manage a lottery. The
28 governor may remove the chief executive officer for
29 malfeasance in office, or for any cause that renders
30 the chief executive officer ineligible, incapable, or
31 unfit to discharge the duties of the office.

32 Compensation and employment terms of the chief
33 executive officer shall be set by the governor, taking
34 into consideration the officer's level of education
35 and experience, as well as the success of the lottery.
36 The chief executive officer shall be an employee of
37 the authority and shall direct the day-to-day
38 operations and management of the authority and be
39 vested with such powers and duties as specified by the
40 board and by law.

41 Sec. 68. NEW SECTION. 99G.6 POWER TO ADMINISTER
42 OATHS AND TAKE TESTIMONY - SUBPOENA.

43 The chief executive officer or the chief executive
44 officer's designee if authorized to conduct an
45 inquiry, investigation, or hearing under this chapter
46 may administer oaths and take testimony under oath
47 relative to the matter of inquiry, investigation, or
48 hearing. At a hearing ordered by the chief executive
49 officer, the chief executive officer or the designee
50 may subpoena witnesses and require the production of

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1 records, paper, or documents pertinent to the hearing.

2 Sec. 69. NEW SECTION. 99G.7 DUTIES OF THE CHIEF
3 EXECUTIVE OFFICER.

4 1. The chief executive officer of the authority
5 shall direct and supervise all administrative and
6 technical activities in accordance with the provisions
7 of this chapter and with the administrative rules,
8 policies, and procedures adopted by the board. The
9 chief executive officer shall do all of the following:

10 a. Facilitate the initiation and supervise and
11 administer the operation of the lottery games.

12 b. Employ an executive vice president, who shall
13 act as chief executive officer in the absence of the
14 chief executive officer, and employ and direct other
15 such personnel as deemed necessary.

16 c. Contract with and compensate such persons and
17 firms as deemed necessary for the operation of the
18 lottery.

19 d. Promote or provide for promotion of the lottery
20 and any functions related to the authority.

21 e. Prepare a budget for the approval of the board.

22 f. Require bond from such retailers and vendors in
23 such amounts as required by the board.

24 g. Report semiannually to the legislative
25 government oversight committees regarding the
26 operations of the authority.

27 h. Report quarterly and annually to the board, the
28 governor, the auditor of state, and the general
29 assembly a full and complete statement of lottery
30 revenues and expenses for the preceding quarter, and
31 with respect to the annual report, for the preceding
32 year and transfer proceeds to the general fund within
33 thirty days following the end of the quarter.

34 i. Perform other duties generally associated with
35 a chief executive officer of an authority of an
36 entrepreneurial nature.

37 2. The chief executive officer shall conduct an
38 ongoing study of the operation and administration of
39 lottery laws similar to this chapter in other states
40 or countries, of available literature on the subject,
41 of federal laws and regulations which may affect the
42 operation of the lottery and of the reaction of
43 citizens of this state to existing or proposed
44 features of lottery games with a view toward
45 implementing improvements that will tend to serve the
46 purposes of this chapter.

47 3. The chief executive officer may for good cause
48 suspend, revoke, or refuse to renew any contract
49 entered into in accordance with the provisions of this
50 chapter or the administrative rules, policies, and

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1 procedures of the board.

2 4. The chief executive officer or the chief
3 executive officer's designee may conduct hearings and
4 administer oaths to persons for the purpose of
5 assuring the security or integrity of lottery
6 operations or to determine the qualifications of or
7 compliance by vendors and retailers.

8 Sec. 70. NEW SECTION. 99G.8 BOARD OF DIRECTORS.

9 1. The authority shall be administered by a board
10 of directors comprised of five members appointed by
11 the governor subject to confirmation by the senate.
12 Board members appointed when the senate is not in
13 session shall serve only until the end of the next
14 regular session of the general assembly, unless
15 confirmed by the senate.

16 2. Board members shall serve staggered terms of
17 four years beginning and ending as provided in section
18 69.19. No more than three board members shall be from
19 the same political party.

20 3. Board members may be removed by the governor
21 for neglect of duty, misfeasance, or nonfeasance in
22 office.

23 4. No officer or employee of the authority shall
24 be a member of the board.

25 5. Board members shall be residents of the state
26 of Iowa, shall be prominent persons in their
27 respective businesses or professions, and shall not
28 have been convicted of any felony offense. Of the
29 members appointed, the governor shall appoint to the
30 board an attorney admitted to the practice of law in
31 Iowa, an accountant, a person who is or has been a law
32 enforcement officer, and a person having expertise in
33 marketing.

34 6. A majority of members in office shall
35 constitute a quorum for the transaction of any
36 business and for the exercise of any power or function
37 of the authority.

38 7. Action may be taken and motions and resolutions
39 adopted by the board at any meeting thereof by the
40 affirmative vote of a majority of present and voting
41 board members.

42 8. No vacancy in the membership of the board shall
43 impair the right of the members to exercise all the
44 powers and perform all the duties of the board.

45 9. Board members shall be considered to hold
46 public office and shall give bond as such as required
47 in chapter 64.

48 10. Board members shall be entitled to receive a
49 per diem as specified in section 7E.6 for each day
50 spent in performance of duties as members, and shall

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1 be reimbursed for all actual and necessary expenses
2 incurred in the performance of their official duties
3 as members. No person who serves as a member of the
4 board shall by reason of such membership be eligible
5 for membership in the Iowa public employees'
6 retirement system and service on the board shall not
7 be eligible for service credit for any public
8 retirement system.

9 11. The board shall meet at least quarterly and at
10 such other times upon call of the chairperson or the
11 president. Notice of the time and place of each board
12 meeting shall be given to each member. The board
13 shall also meet upon call of three or more of the
14 board members. The board shall keep accurate and
15 complete records of all its meetings.

16 12. Meetings of the board shall be governed by the
17 provisions of chapter 21.

18 13. Board members shall not have any direct or
19 indirect interest in an undertaking that puts their
20 personal interest in conflict with that of the
21 authority, including, but not limited to, an interest
22 in a major procurement contract or a participating
23 retailer.

24 14. The members shall elect from their membership
25 a chairperson and vice chairperson.

26 15. The board of directors may delegate to the
27 chief executive officer of the authority such powers
28 and duties as it may deem proper to the extent such
29 delegation is not inconsistent with the Constitution
30 of this state.

31 Sec. 71. **NEW SECTION. 99G.9 BOARD DUTIES.**

32 The board shall provide the chief executive officer
33 with private-sector perspectives of a large marketing
34 enterprise. The board shall do all of the following:

35 1. Approve, disapprove, amend, or modify the
36 budget recommended by the chief executive officer for
37 the operation of the authority.

38 2. Approve, disapprove, amend, or modify the terms
39 of major lottery procurements recommended by the chief
40 executive officer.

41 3. Adopt policies and procedures and promulgate
42 administrative rules pursuant to chapter 17a relating
43 to the management and operation of the authority. The
44 administrative rules promulgated pursuant to this
45 subsection may include but shall not be limited to the
46 following:

- 47 a. The type of games to be conducted.
- 48 b. The sale price of tickets or shares and the
49 manner of sale, including but not limited to
50 authorization of sale of tickets or shares at a

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1 discount for marketing purposes, provided, however,
2 that a retailer may accept payment by cash, check,
3 money order, debit card, or electronic funds transfer
4 and shall not extend or arrange credit for the
5 purchase of a ticket or share. As used in this
6 section, "cash" means United States currency.

7 c. The number and amount of prizes, including but
8 not limited to prizes of free tickets or shares in
9 lottery games conducted by the authority and
10 merchandise prizes. The authority shall maintain and
11 make available for public inspection at its offices
12 during regular business hours a detailed listing of
13 the estimated number of prizes of each particular
14 denomination that are expected to be awarded in any
15 game that is on sale or the estimated odds of winning
16 the prizes and, after the end of the claim period,
17 shall maintain and make available a listing of the
18 total number of tickets or shares sold in a game and
19 the number of prizes of each denomination that were
20 awarded.

21 d. The method and location of selecting or
22 validating winning tickets or shares.

23 e. The manner and time of payment of prizes, which
24 may include lump-sum payments or installments over a
25 period of years.

26 f. The manner of payment of prizes to the holders
27 of winning tickets or shares after performing
28 validation procedures appropriate to the game and as
29 specified by the board.

30 g. The frequency of games and drawings or
31 selection of winning tickets or shares.

32 h. The means of conducting drawings, provided that
33 drawings shall be open to the public and witnessed by
34 an independent certified public accountant. Equipment
35 used to select winning tickets or shares or
36 participants for prizes shall be examined by an
37 independent certified public accountant prior to and
38 after each drawing.

39 i. The manner and amount of compensation to
40 lottery retailers.

41 j. The engagement and compensation of audit
42 services.

43 k. Any and all other matters necessary, desirable,
44 or convenient toward ensuring the efficient and
45 effective operation of lottery games, the continued
46 entertainment and convenience of the public, and the
47 integrity of the lottery.

48 4. Adopt game specific rules. The promulgation of
49 game specific rules shall not be subject to the
50 requirements of chapter 17A. However, game specific

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1 rules shall be made available to the public prior to
2 the time the games go on sale and shall be kept on
3 file at the office of the authority.

4 5. Perform such other functions as specified by
5 this chapter.

6 Sec. 72. NEW SECTION. 99G.10 AUTHORITY
7 PERSONNEL.

8 1. All employees of the authority shall be
9 considered public employees.

10 2. Subject to the approval of the board, the chief
11 executive officer shall have the sole power to
12 designate particular employees as key personnel, but
13 may take advice from the department of personnel in
14 making any such designations. All key personnel shall
15 be exempt from the merit system described in chapter
16 19A. The chief executive officer and the board shall
17 have the sole power to employ, classify, and fix the
18 compensation of key personnel. All other employees
19 shall be employed, classified, and compensated in
20 accordance with chapters 19a and 20.

21 3. The chief executive officer and the board shall
22 have the exclusive power to determine the number of
23 full-time equivalent positions, as defined in chapter
24 8, necessary to carry out the provisions of this
25 chapter.

26 4. The chief executive officer shall have the sole
27 responsibility to assign duties to all authority
28 employees.

29 5. The authority may establish incentive programs
30 for authority employees.

31 6. An employee of the authority shall not have a
32 financial interest in any vendor doing business or
33 proposing to do business with the authority. However,
34 an employee may own shares of a mutual fund which may
35 hold shares of a vendor corporation provided the
36 employee does not have the ability to influence the
37 investment functions of the mutual fund.

38 7. An employee of the authority with decision-
39 making authority shall not participate in any decision
40 involving a retailer with whom the employee has a
41 financial interest.

42 8. A background investigation shall be conducted
43 by the department of public safety, division of
44 criminal investigation, on each applicant who has
45 reached the final selection process prior to
46 employment by the authority. For positions not
47 designated as sensitive by the board, the
48 investigation may consist of a state criminal history
49 background check, work history, and financial review.
50 The board shall identify those sensitive positions of

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1 the authority which require full background
2 investigations, which positions shall include, at a
3 minimum, any officer of the authority, and any
4 employee with operational management responsibilities,
5 security duties, or system maintenance or programming
6 responsibilities related to the authority's data
7 processing or network hardware, software,
8 communication, or related systems. In addition to a
9 work history and financial review, a full background
10 investigation may include a national criminal history
11 record check through the federal bureau of
12 investigation. The screening of employees through the
13 federal bureau of investigation shall be conducted by
14 submission of fingerprints through the state criminal
15 history record repository to the federal bureau of
16 investigation. The results of background
17 investigations conducted pursuant to this section
18 shall not be considered public records under chapter
19 22.

20 9. A person who has been convicted of a felony or
21 bookmaking or other form of illegal gambling or of a
22 crime involving moral turpitude shall not be employed
23 by the authority.

24 10. The authority shall bond authority employees
25 with access to authority funds or lottery revenue in
26 such an amount as provided by the board and may bond
27 other employees as deemed necessary.

28 Sec. 73. NEW SECTION. 99G.11 CONFLICTS OF
29 INTEREST.

30 1. A member of the board, any officer, or other
31 employee of the authority shall not directly or
32 indirectly, individually, as a member of a partnership
33 or other association, or as a shareholder, director,
34 or officer of a corporation have an interest in a
35 business that contracts for the operation or marketing
36 of the lottery as authorized by this chapter, unless
37 the business is controlled or operated by a consortium
38 of lotteries in which the authority has an interest.

39 2. Notwithstanding the provisions of chapter 68B,
40 a person contracting or seeking to contract with the
41 state to supply gaming equipment or materials for use
42 in the operation of the lottery, an applicant for a
43 license to sell tickets or shares in the lottery, or a
44 retailer shall not offer a member of the board, any
45 officer, or other employee of the authority, or a
46 member of their immediate family a gift, gratuity, or
47 other thing having a value of more than the limits
48 established in chapter 68B, other than food and
49 beverage consumed at a meal. For purposes of this
50 subsection, "member of their immediate family" means a

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1 spouse, child, stepchild, brother, brother-in-law,
2 stepbrother, sister, sister-in-law, stepsister,
3 parent, parent-in-law, or step-parent of the board
4 member, the officer, or other employee who resides in
5 the same household in the same principal residence of
6 the board member, officer, or other employee.

7 3. If a board member, officer, or other employee
8 of the authority violates a provision of this section,
9 the board member, officer, or employee shall be
10 immediately removed from the office or position.

11 4. Enforcement of this section against a board
12 member, officer, or other employee shall be by the
13 attorney general who upon finding a violation shall
14 initiate an action to remove the board member,
15 officer, or employee.

16 5. A violation of this section is a serious
17 misdemeanor.

18 Sec. 74. NEW SECTION. 99G.21 AUTHORITY POWERS,
19 TRANSFER OF ASSETS, LIABILITIES, AND OBLIGATIONS.

20 1. Funds of the state shall not be used or
21 obligated to pay the expenses or prizes of the
22 authority.

23 2. The authority shall have any and all powers
24 necessary or convenient to carry out and effectuate
25 the purposes and provisions of this chapter which are
26 not in conflict with the Constitution of this state,
27 including, but without limiting the generality of the
28 foregoing, the following powers:

29 a. To sue and be sued and to complain and defend
30 in all courts.

31 b. To adopt and alter a seal.

32 c. To procure or to provide insurance.

33 d. To hold copyrights, trademarks, and service
34 marks and enforce its rights with respect thereto.

35 e. To initiate, supervise, and administer the
36 operation of the lottery in accordance with the
37 provisions of this chapter and administrative rules,
38 policies, and procedures adopted pursuant thereto.

39 f. To enter into written agreements with one or
40 more other states or territories of the United States,
41 or one or more political subdivisions of another state
42 or territory of the United States, or any entity
43 lawfully operating a lottery outside the United States
44 for the operation, marketing, and promotion of a joint
45 lottery or joint lottery game. For the purposes of
46 this subsection, any lottery with which the authority
47 reaches an agreement or compact shall meet the
48 criteria for security, integrity, and finance set by
49 the board.

50 g. To conduct such market research as is necessary

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1 or appropriate, which may include an analysis of the
2 demographic characteristics of the players of each
3 lottery game, and an analysis of advertising,
4 promotion, public relations, incentives, and other
5 aspects of communication.

6 h. Subject to the provisions of subsection 3, to
7 acquire or lease real property and make improvements
8 thereon and acquire by lease or by purchase, personal
9 property, including, but not limited to, computers;
10 mechanical, electronic, and on-line equipment and
11 terminals; and intangible property, including, but not
12 limited to, computer programs, systems, and software.

13 i. Subject to the provisions of subsection 3, to
14 enter into contracts to incur debt in its own name and
15 enter into financing agreements with the state,
16 agencies or instrumentalities of the state, or with
17 any commercial bank or credit provider.

18 j. To select and contract with vendors and
19 retailers.

20 k. To enter into contracts or agreements with
21 state or local law enforcement agencies for the
22 performance of law enforcement, background
23 investigations, and security checks.

24 l. To enter into contracts of any and all types on
25 such terms and conditions as the authority may
26 determine necessary.

27 m. To establish and maintain banking
28 relationships, including, but not limited to,
29 establishment of checking and savings accounts and
30 lines of credit.

31 n. To advertise and promote the lottery and
32 lottery games.

33 o. To act as a retailer, to conduct promotions
34 which involve the dispensing of lottery tickets or
35 shares, and to establish and operate a sales facility
36 to sell lottery tickets or shares and any related
37 merchandise.

38 p. Notwithstanding any other provision of law to
39 the contrary, to purchase meals for attendees at
40 authority business meetings.

41 q. To exercise all powers generally exercised by
42 private businesses engaged in entrepreneurial
43 pursuits, unless the exercise of such a power would
44 violate the terms of this chapter or of the
45 Constitution of this state.

46 3. Notwithstanding any other provision of law, any
47 purchase of real property and any borrowing of more
48 than one million dollars by the authority shall
49 require written notice from the authority to the
50 legislative government oversight committees and the

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1 prior approval of the executive council.

2 4. The powers enumerated in this section are
3 cumulative of and in addition to those powers
4 enumerated elsewhere in this chapter and no such
5 powers limit or restrict any other powers of the
6 authority.

7 5. Departments, boards, commissions, or other
8 agencies of this state shall provide reasonable
9 assistance and services to the authority upon the
10 request of the chief executive officer.

11 Sec. 75. NEW SECTION. 99G.22 VENDOR BACKGROUND
12 REVIEW.

13 1. The authority shall investigate the financial
14 responsibility, security, and integrity of any lottery
15 system vendor who is a finalist in submitting a bid,
16 proposal, or offer as part of a major procurement
17 contract. Before a major procurement contract is
18 awarded, the division of criminal investigation of the
19 department of public safety shall conduct a background
20 investigation of the vendor to whom the contract is to
21 be awarded. The chief executive officer and board
22 shall consult with the division of criminal
23 investigation and shall provide for the scope of the
24 background investigation and due diligence to be
25 conducted in connection with major procurement
26 contracts. At the time of submitting a bid, proposal,
27 or offer to the authority on a major procurement
28 contract, the authority shall require that each vendor
29 submit to the division of criminal investigation
30 appropriate investigation authorization to facilitate
31 this investigation, together with an advance of funds
32 to meet the anticipated investigation costs. If the
33 division of criminal investigation determines that
34 additional funds are required to complete an
35 investigation, the vendor will be so advised. The
36 background investigation by the division of criminal
37 investigation may include a national criminal history
38 record check through the federal bureau of
39 investigation. The screening of vendors or their
40 employees through the federal bureau of investigation
41 shall be conducted by submission of fingerprints
42 through the state criminal history record repository
43 to the federal bureau of investigation.

44 2. If at least twenty-five percent of the cost of
45 a vendor's contract is subcontracted, the vendor shall
46 disclose all of the information required by this
47 section for the subcontractor as if the subcontractor
48 were itself a vendor.

49 3. A major procurement contract shall not be
50 entered into with any lottery system vendor who has

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1 not complied with the disclosure requirements
2 described in this section, and any contract with such
3 a vendor is voidable at the option of the authority.
4 Any contract with a vendor that does not comply with
5 the requirements for periodically updating such
6 disclosures during the tenure of the contract as may
7 be specified in such contract may be terminated by the
8 authority. The provisions of this section shall be
9 construed broadly and liberally to achieve the ends of
10 full disclosure of all information necessary to allow
11 for a full and complete evaluation by the authority of
12 the competence, integrity, background, and character
13 of vendors for major procurements.

14 4. A major procurement contract shall not be
15 entered into with any vendor who has been found guilty
16 of a felony related to the security or integrity of
17 the lottery in this or any other jurisdiction.

18 5. A major procurement contract shall not be
19 entered into with any vendor if such vendor has an
20 ownership interest in an entity that had supplied
21 consultation services under contract to the authority
22 regarding the request for proposals pertaining to
23 those particular goods or services.

24 6. If, based on the results of a background
25 investigation, the board determines that the best
26 interests of the authority, including but not limited
27 to the authority's reputation for integrity, would be
28 served thereby, the board may disqualify a potential
29 vendor from contracting with the authority for a major
30 procurement contract or from acting as a subcontractor
31 in connection with a contract for a major procurement
32 contract.

33 Sec. 76. NEW SECTION. 99G.23 VENDOR BONDING, TAX
34 FILING, AND COMPETITIVE BIDDING.

35 1. The authority may purchase, lease, or lease-
36 purchase such goods or services as are necessary for
37 effectuating the purposes of this chapter. The
38 authority may make procurements that integrate
39 functions such as lottery game design, lottery ticket
40 distribution to retailers, supply of goods and
41 services, and advertising. In all procurement
42 decisions, the authority shall take into account the
43 particularly sensitive nature of the lottery and shall
44 act to promote and ensure security, honesty, fairness,
45 and integrity in the operation and administration of
46 the lottery and the objectives of raising net proceeds
47 for state programs.

48 2. Each vendor shall, at the execution of the
49 contract with the authority, post a performance bond
50 or letter of credit from a bank or credit provider

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1 acceptable to the authority in an amount as deemed
2 necessary by the authority for that particular bid or
3 contract.

4 3. Each vendor shall be qualified to do business
5 in this state and shall file appropriate tax returns
6 as provided by the laws of this state.

7 4. All major procurement contracts must be
8 competitively bid pursuant to policies and procedures
9 approved by the board unless there is only one
10 qualified vendor and that vendor has an exclusive
11 right to offer the service or product.

12 Sec. 77. NEW SECTION. 99G.24 RETAILER
13 COMPENSATION - LICENSING.

14 1. The general assembly recognizes that to conduct
15 a successful lottery, the authority must develop and
16 maintain a statewide network of lottery retailers that
17 will serve the public convenience and promote the sale
18 of tickets or shares and the playing of lottery games
19 while ensuring the integrity of the lottery
20 operations, games, and activities.

21 2. The board shall determine the compensation to
22 be paid to licensed retailers. Compensation may
23 include provision for variable payments based on sales
24 volume or incentive considerations.

25 3. The authority shall issue a license certificate
26 to each person with whom it contracts as a retailer
27 for purposes of display as provided in this section.
28 Every lottery retailer shall post its license
29 certificate, or a facsimile thereof, and keep it
30 conspicuously displayed in a location on the premises
31 accessible to the public. No license shall be
32 assignable or transferable. Once issued, a license
33 shall remain in effect until canceled, suspended, or
34 terminated by the authority.

35 4. A licensee shall cooperate with the authority
36 by using point-of-purchase materials, posters, and
37 other marketing material when requested to do so by
38 the authority. Lack of cooperation is sufficient
39 cause for revocation of a retailer's license.

40 5. The board shall develop a list of objective
41 criteria upon which the qualification of lottery
42 retailers shall be based. Separate criteria shall be
43 developed to govern the selection of retailers of
44 instant tickets and online retailers. In developing
45 these criteria, the board shall consider such factors
46 as the applicant's financial responsibility, security
47 of the applicant's place of business or activity,
48 accessibility to the public, integrity, and
49 reputation. The criteria shall include but not be
50 limited to the volume of expected sales and the

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1 sufficiency of existing licensees to serve the public
2 convenience.

3 6. The applicant shall be current in filing all
4 applicable tax returns to the state of Iowa and in
5 payment of all taxes, interest, and penalties owed to
6 the state of Iowa, excluding items under formal appeal
7 pursuant to applicable statutes. The department of
8 revenue and finance is authorized and directed to
9 provide this information to the authority.

10 7. A person, partnership, unincorporated
11 association, authority, or other business entity shall
12 not be selected as a lottery retailer if the person or
13 entity meets any of the following conditions:

14 a. Has been convicted of a criminal offense
15 related to the security or integrity of the lottery in
16 this or any other jurisdiction.

17 b. Has been convicted of any illegal gambling
18 activity, false statements, perjury, fraud, or a
19 felony in this or any other jurisdiction.

20 c. Has been found to have violated the provisions
21 of this chapter or any regulation, policy, or
22 procedure of the authority or of the lottery division
23 unless either ten years have passed since the
24 violation or the board finds the violation both minor
25 and unintentional in nature.

26 d. Is a vendor or any employee or agent of any
27 vendor doing business with the authority.

28 e. Resides in the same household as an officer of
29 the authority.

30 f. Is less than eighteen years of age.

31 g. Does not demonstrate financial responsibility
32 sufficient to adequately meet the requirements of the
33 proposed enterprise.

34 h. Has not demonstrated that the applicant is the
35 true owner of the business proposed to be licensed and
36 that all persons holding at least a ten percent
37 ownership interest in the applicant's business have
38 been disclosed.

39 i. Has knowingly made a false statement of
40 material fact to the authority.

41 8. Persons applying to become lottery retailers
42 may be charged a uniform application fee for each
43 lottery outlet.

44 9. Any lottery retailer contract executed pursuant
45 to this section may, for good cause, be suspended,
46 revoked, or terminated by the chief executive officer
47 or the chief executive officer's designee if the
48 retailer is found to have violated any provision of
49 this chapter or objective criteria established by the
50 board. Cause for suspension, revocation, or

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1 termination may include, but is not limited to, sale
2 of tickets or shares to a person under the age of
3 twenty-one and failure to pay for lottery products in
4 a timely manner.

5 Sec. 78. NEW SECTION. 99G.25 LICENSE NOT
6 ASSIGNABLE.

7 Any lottery retailer license certificate or
8 contract shall not be transferable or assignable. The
9 authority may issue a temporary license when deemed in
10 the best interests of the state. A lottery retailer
11 shall not contract with any person for lottery goods
12 or services, except with the approval of the board.

13 Sec. 79. NEW SECTION. 99G.26 RETAILER BONDING.

14 The authority may require any retailer to post an
15 appropriate bond, as determined by the authority,
16 using a cash bond or an insurance company acceptable
17 to the authority.

18 Sec. 80. NEW SECTION. 99G.27 LOTTERY RETAIL
19 LICENSES – CANCELLATION, SUSPENSION, REVOCATION, OR
20 TERMINATION.

21 1. A lottery retail license issued by the
22 authority pursuant to this chapter may be canceled,
23 suspended, revoked, or terminated by the authority,
24 for reasons including, but not limited to, any of the
25 following:

26 a. A violation of this chapter, a regulation, or a
27 policy or procedure of the authority.

28 b. Failure to accurately or timely account or pay
29 for lottery products, lottery games, revenues, or
30 prizes as required by the authority.

31 c. Commission of any fraud, deceit, or
32 misrepresentation.

33 d. Insufficient sales.

34 e. Conduct prejudicial to public confidence in the
35 lottery.

36 f. The retailer filing for or being placed in
37 bankruptcy or receivership.

38 g. Any material change as determined in the sole
39 discretion of the authority in any matter considered
40 by the authority in executing the contract with the
41 retailer.

42 h. Failure to meet any of the objective criteria
43 established by the authority pursuant to this chapter.

44 i. Other conduct likely to result in injury to the
45 property, revenue, or reputation of the authority.

46 2. A lottery retailer license may be temporarily
47 suspended by the authority without prior notice if the
48 chief executive officer or designee determines that
49 further sales by the licensed retailer are likely to
50 result in immediate injury to the property, revenue,

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1 or reputation of the authority.

2 3. The board shall adopt administrative rules
3 governing appeals of lottery retailer licensing
4 disputes.

5 Sec. 81. NEW SECTION. 99G.28 PROCEEDS HELD IN
6 TRUST.

7 All proceeds from the sale of the lottery tickets
8 or shares shall constitute a trust fund until paid to
9 the authority directly, through electronic funds
10 transfer to the authority, or through the authority's
11 authorized collection representative. A lottery
12 retailer and officers of a lottery retailer's business
13 shall have a fiduciary duty to preserve and account
14 for lottery proceeds and lottery retailers shall be
15 personally liable for all proceeds. Proceeds shall
16 include unsold products received but not paid for by a
17 lottery retailer and cash proceeds of the sale of any
18 lottery products net of allowable sales commissions
19 and credit for lottery prizes paid to winners by
20 lottery retailers. Sales proceeds of pull-tab tickets
21 shall include the sales price of the lottery product
22 net of allowable sales commission and prizes contained
23 in the product. Sales proceeds and unused instant
24 tickets shall be delivered to the authority or its
25 authorized collection representative upon demand.

26 Sec. 82. NEW SECTION. 99G.29 RETAILER RENTAL
27 CALCULATIONS - LOTTERY TICKET SALES TREATMENT.

28 If a lottery retailer's rental payments for the
29 business premises are contractually computed, in whole
30 or in part, on the basis of a percentage of retail
31 sales and such computation of retail sales is not
32 explicitly defined to include sales of tickets or
33 shares in a state-operated or state-managed lottery,
34 only the compensation received by the lottery retailer
35 from the authority may be considered the amount of the
36 lottery retail sale for purposes of computing the
37 rental payment.

38 Sec. 83. NEW SECTION. 99G.30 TICKET SALES
39 REQUIREMENTS - PENALTIES.

40 1. Lottery tickets or shares may be distributed by
41 the authority for promotional purposes.

42 2. A ticket or share shall not be sold at a price
43 other than that fixed by the authority and a sale
44 shall not be made other than by a retailer or an
45 employee of the retailer who is authorized by the
46 retailer to sell tickets or shares. A person who
47 violates a provision of this subsection is guilty of a
48 simple misdemeanor.

49 3. A ticket or share shall not be sold to a person
50 who has not reached the age of twenty-one. Any person

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1 who knowingly sells a lottery ticket or share to a
2 person under the age of twenty-one shall be guilty of
3 a simple misdemeanor. It shall be an affirmative
4 defense to a charge of a violation under this section
5 that the retailer reasonably and in good faith relied
6 upon presentation of proof of age in making the sale.
7 a prize won by a person who has not reached the age of
8 twenty-one but who purchases a winning ticket or share
9 in violation of this subsection shall be forfeited.

10 This section does not prohibit the lawful purchase of
11 a ticket or share for the purpose of making a gift to
12 a person who has not reached the age of twenty-one.
13 The board shall adopt administrative rules governing
14 the payment of prizes to persons who have not reached
15 the age of twenty-one.

16 4. Except for the authority, a retailer shall only
17 sell lottery products on the licensed premises and not
18 through the mail or by technological means except as
19 the authority may provide or authorize.

20 5. The retailer may accept payment by cash, check,
21 money order, debit card, or electronic funds transfer.

22 The retailer shall not extend or arrange credit for
23 the purchase of a ticket or share. As used in this
24 subsection, "cash" means United States currency.

25 6. Nothing in this chapter shall be construed to
26 prohibit the authority from designating certain of its
27 agents and employees to sell or give lottery tickets
28 or shares directly to the public.

29 7. No elected official's name shall be printed on
30 tickets.

31 Sec. 84. NEW SECTION. 99G.31 PRIZES.

32 1. The chief executive officer shall award the
33 designated prize to the ticket or shareholder upon
34 presentation of the winning ticket or confirmation of
35 a winning share. The prize shall be given to only one
36 person; however, a prize shall be divided between
37 holders of winning tickets if there is more than one
38 winning ticket.

39 2. The authority shall adopt administrative rules,
40 policies, and procedures to establish a system of
41 verifying the validity of tickets or shares claimed to
42 win prizes and to effect payment of such prizes,
43 subject to the following requirements:

44 a. The prize shall be given to the person who
45 presents a winning ticket. A prize may be given to
46 only one person per winning ticket. However, a prize
47 shall be divided between holders of winning tickets if
48 there is more than one winning ticket. Payment of a
49 prize may be made to the estate of a deceased prize
50 winner or to another person pursuant to an appropriate

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1 judicial order issued by an Iowa court of competent
2 jurisdiction.

3 b. A prize shall not be paid arising from claimed
4 tickets that are stolen, counterfeit, altered,
5 fraudulent, unissued, produced or issued in error,
6 unreadable, not received, or not recorded by the
7 authority within applicable deadlines; lacking in
8 captions that conform and agree with the play symbols
9 as appropriate to the particular lottery game
10 involved; or not in compliance with such additional
11 specific administrative rules, policies, and public or
12 confidential validation and security tests of the
13 authority appropriate to the particular lottery game
14 involved.

15 c. No particular prize in any lottery game shall
16 be paid more than once, and in the event of a
17 determination that more than one claimant is entitled
18 to a particular prize, the sole remedy of such
19 claimants is the award to each of them of an equal
20 share in the prize.

21 d. Unclaimed prize money for the prize on a
22 winning ticket or share shall be retained for a period
23 deemed appropriate by the chief executive officer,
24 subject to approval by the board. If a valid claim is
25 not made for the money within the applicable period,
26 the unclaimed prize money shall be added to the pool
27 from which future prizes are to be awarded or used for
28 special prize promotions. Notwithstanding this
29 subsection, the disposition of unclaimed prize money
30 from multijurisdictional games shall be made in
31 accordance with the rules of the multijurisdictional
32 game.

33 e. No prize shall be paid upon a ticket or share
34 purchased or sold in violation of this chapter. Any
35 such prize shall constitute an unclaimed prize for
36 purposes of this section.

37 f. The authority is discharged of all liability
38 upon payment of a prize pursuant to this section.

39 g. No ticket or share issued by the authority
40 shall be purchased by and no prize shall be paid to
41 any member of the board of directors; any officer or
42 employee of the authority; or to any spouse, child,
43 brother, sister, or parent residing as a member of the
44 same household in the principal place of residence of
45 any such person.

46 h. No ticket or share issued by the authority
47 shall be purchased by and no prize shall be paid to
48 any officer, employee, agent, or subcontractor of any
49 vendor or to any spouse, child, brother, sister, or
50 parent residing as a member of the same household in

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1 the principal place of residence of any such person if
2 such officer, employee, agent, or subcontractor has
3 access to confidential information which may
4 compromise the integrity of the lottery.

5 i. The proceeds of any lottery prize shall be
6 subject to state and federal income tax laws. An
7 amount deducted from the prize for payment of a state
8 tax, pursuant to section 422.16, subsection 1, shall
9 be transferred by the authority to the department of
10 revenue and finance on behalf of the prize winner.

11 Sec. 85. NEW SECTION. 99G.32 AUTHORITY LEGAL
12 REPRESENTATION.

13 The authority shall retain the services of legal
14 counsel to advise the authority and the board and to
15 provide representation in legal proceedings. The
16 authority may retain the attorney general or a full-
17 time assistant attorney general in that capacity and
18 provide reimbursement for the cost of advising and
19 representing the board and the authority.

20 Sec. 86. NEW SECTION. 99G.33 LAW ENFORCEMENT
21 INVESTIGATIONS.

22 The department of public safety, division of
23 criminal investigation, shall be the primary state
24 agency responsible for investigating criminal
25 violations under this chapter. The chief executive
26 officer shall contract with the department of public
27 safety for investigative services, including the
28 employment of special agents and support personnel,
29 and procurement of necessary equipment to carry out
30 the responsibilities of the division of criminal
31 investigation under the terms of the agreement and
32 this chapter.

33 Sec. 87. NEW SECTION. 99G.34 OPEN RECORDS -
34 EXCEPTIONS.

35 The records of the authority shall be governed by
36 the provisions of chapter 22, provided that, in
37 addition to records that may be kept confidential
38 pursuant to section 22.7, the following records shall
39 be kept confidential, unless otherwise ordered by a
40 court, by the lawful custodian of the records, or by
41 another person duly authorized to release such
42 information:

43 1. Marketing plans, research data, and proprietary
44 intellectual property owned or held by the authority
45 under contractual agreements.

46 2. Personnel, vendor, and player social security
47 or tax identification numbers.

48 3. Computer system hardware, software, functional
49 and system specifications, and game play data files.

50 4. Security records pertaining to investigations

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1 and intelligence-sharing information between lottery
2 security officers and those of other lotteries and law
3 enforcement agencies, the security portions or
4 segments of lottery requests for proposals, proposals
5 by vendors to conduct lottery operations, and records
6 of the security division of the authority pertaining
7 to game security data, ticket validation tests, and
8 processes.

9 5. Player name and address lists, provided that
10 the names and addresses of prize winners shall not be
11 withheld.

12 6. Operational security measures, systems, or
13 procedures and building plans.

14 7. Security reports and other information
15 concerning bids or other contractual data, the
16 disclosure of which would impair the efforts of the
17 authority to contract for goods or services on
18 favorable terms.

19 8. Information that is otherwise confidential
20 obtained pursuant to investigations.

21 Sec. 88. NEW SECTION. 99G.35 SECURITY.

22 1. The authority's chief security officer and
23 investigators shall be qualified by training and
24 experience in law enforcement to perform their
25 respective duties in support of the activities of the
26 security office. The chief security officer and
27 investigators shall not have sworn peace officer
28 status. The lottery security office shall perform all
29 of the following activities in support of the
30 authority mission:

31 a. Supervise ticket or share validation and
32 lottery drawings, provided that the authority may
33 enter into cooperative agreements with
34 multijurisdictional lottery administrators for shared
35 security services at drawings and game show events
36 involving more than one participating lottery.

37 b. Inspect at times determined solely by the
38 authority the facilities of any vendor or lottery
39 retailer in order to determine the integrity of the
40 vendor's product or the operations of the retailer in
41 order to determine whether the vendor or the retailer
42 is in compliance with its contract.

43 c. Report any suspected violations of this chapter
44 to the appropriate county attorney or the attorney
45 general and to any law enforcement agencies having
46 jurisdiction over the violation.

47 d. Upon request, provide assistance to any county
48 attorney, the attorney general, the department of
49 public safety, or any other law enforcement agency.

50 e. Upon request, provide assistance to retailers

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1 in meeting their licensing contract requirements and
2 in detecting retailer employee theft.

3 f. Monitor authority operations for compliance
4 with internal security requirements.

5 g. Provide physical security at the authority's
6 central operations facilities.

7 h. Conduct on-press product production
8 surveillance, testing, and quality approval for
9 printed scratch and pull-tab tickets.

10 i. Coordinate employee and retailer background
11 investigations conducted by the department of public
12 safety, division of criminal investigation.

13 2. The authority may enter into intelligence-
14 sharing, reciprocal use, or restricted use agreements
15 with the federal government, law enforcement agencies,
16 lottery regulation agencies, and gaming enforcement
17 agencies of other jurisdictions which provide for and
18 regulate the use of information provided and received
19 pursuant to the agreement.

20 3. Records, documents, and information in the
21 possession of the authority received pursuant to an
22 intelligence-sharing, reciprocal use, or restricted
23 use agreement entered into by the authority with a
24 federal department or agency, any law enforcement
25 agency, or the lottery regulation or gaming
26 enforcement agency of any jurisdiction shall be
27 considered investigative records of a law enforcement
28 agency and are not subject to chapter 22 and shall not
29 be released under any condition without the permission
30 of the person or agency providing the record or
31 information.

32 Sec. 89. NEW SECTION. 99G.36 FORGERY – FRAUD –
33 PENALTIES.

34 1. A person who, with intent to defraud, falsely
35 makes, alters, forges, utters, passes, redeems, or
36 counterfeits a lottery ticket or share or attempts to
37 falsely make, alter, forge, utter, pass, redeem, or
38 counterfeit a lottery ticket or share, or commits
39 theft or attempts to commit theft of a lottery ticket
40 or share, is guilty of a class "D" felony.

41 2. Any person who influences or attempts to
42 influence the winning of a prize through the use of
43 coercion, fraud, deception, or tampering with lottery
44 equipment or materials shall be guilty of a class "D"
45 felony.

46 3. No person shall knowingly or intentionally make
47 a material false statement in any application for a
48 license or proposal to conduct lottery activities or
49 make a material false entry in any book or record
50 which is compiled or maintained or submitted to the

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1 board pursuant to the provisions of this chapter. Any
2 person who violates the provisions of this section
3 shall be guilty of a class "D" felony.

4 Sec. 90. NEW SECTION. 99G.37 COMPETITIVE
5 BIDDING.

6 1. The authority shall enter into a major
7 procurement contract pursuant to competitive bidding.
8 The requirement for competitive bidding does not apply
9 in the case of a single vendor having exclusive rights
10 to offer a particular service or product. The board
11 shall adopt procedures for competitive bidding.
12 Procedures adopted by the board shall be designed to
13 allow the selection of proposals that provide the
14 greatest long-term benefit to the state, the greatest
15 integrity for the authority, and the best service and
16 products for the public.

17 2. In any bidding process, the authority may
18 administer its own bidding and procurement or may
19 utilize the services of the department of general
20 services, or its successor, or other state agency.

21 Sec. 91. NEW SECTION. 99G.38 AUTHORITY FINANCE
22 - SELF-SUSTAINING.

23 1. The authority may borrow, or accept and expend,
24 in accordance with the provisions of this chapter,
25 such moneys as may be received from any source,
26 including income from the authority's operations, for
27 effectuating its business purposes, including the
28 payment of the initial expenses of initiation,
29 administration, and operation of the authority and the
30 lottery.

31 2. The authority shall be self-sustaining and
32 self-funded. Moneys in the general fund of the state
33 shall not be used or obligated to pay the expenses of
34 the authority or prizes of the lottery, and no claim
35 for the payment of an expense of the lottery or prizes
36 of the lottery may be made against any moneys other
37 than moneys credited to the authority operating
38 account.

39 3. The state of Iowa offset program, as provided
40 in section 421.17, shall be available to the authority
41 to facilitate receipt of funds owed to the authority.

42 Sec. 92. NEW SECTION. 99G.39 ALLOCATION,
43 APPROPRIATION, TRANSFER, AND REPORTING OF FUNDS.

44 1. Upon receipt of any revenue, the chief
45 executive officer shall deposit the moneys in the
46 lottery fund created pursuant to section 99G.40. At
47 least fifty percent of the projected annual revenue
48 accruing from the sale of tickets or shares shall be
49 allocated for payment of prizes to the holders of
50 winning tickets. After the payment of prizes, the

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1 following shall be deducted from the authority's
2 revenue prior to disbursement:

3 a. An amount equal to three-tenths of one percent
4 of the gross lottery revenue for the year shall be
5 deposited in a gambling treatment fund in the office
6 of the treasurer of state.

7 b. The expenses of conducting the lottery.
8 Expenses for advertising production and media
9 purchases shall not exceed four percent of the
10 authority's gross revenue for the year.

11 2. The director of management shall not include
12 lottery revenues in the director's fiscal year revenue
13 estimates.

14 3. a. Notwithstanding subsection 1, if gaming
15 revenues under sections 99D.17 and 99F.11 are
16 insufficient in a fiscal year to meet the total amount
17 of such revenues directed to be deposited in the
18 vision Iowa fund and the school infrastructure fund
19 during the fiscal year pursuant to section 8.57,
20 subsection 5, paragraph "e", the difference shall be
21 paid from lottery revenues prior to deposit of the
22 lottery revenues in the general fund. If lottery
23 revenues are insufficient during the fiscal year to
24 pay the difference, the remaining difference shall be
25 paid from lottery revenues in subsequent fiscal years
26 as such revenues become available.

27 b. The treasurer of state shall, each quarter,
28 prepare an estimate of the gaming revenues and lottery
29 revenues that will become available during the
30 remainder of the appropriate fiscal year for the
31 purposes described in paragraph "a". The department
32 of management and the department of revenue and
33 finance shall take appropriate actions to provide that
34 the amount of gaming revenues and lottery revenues
35 that will be available during the remainder of the
36 appropriate fiscal year is sufficient to cover any
37 anticipated deficiencies.

38 Sec. 93. NEW SECTION. 99G.40 AUDITS AND REPORTS
39 – LOTTERY FUND.

40 1. To ensure the financial integrity of the
41 lottery, the authority shall do all of the following:

42 a. Submit quarterly and annual reports to the
43 governor, state auditor, and the general assembly
44 disclosing the total lottery revenues, prize
45 disbursements, and other expenses of the authority
46 during the reporting period. The fourth quarter
47 report shall be included in the annual report made
48 pursuant to this section. The annual report shall
49 include a complete statement of lottery revenues,
50 prize disbursements, and other expenses, and

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1 recommendations for changes in the law that the chief
2 executive officer deems necessary or desirable. The
3 annual report shall be submitted within one hundred
4 twenty days after the close of the fiscal year. The
5 chief executive officer shall report immediately to
6 the governor, the treasurer of state, and the general
7 assembly any matters that require immediate changes in
8 the law in order to prevent abuses or evasions of this
9 chapter or rules adopted or to rectify undesirable
10 conditions in connection with the administration or
11 operation of the lottery.

12 b. Maintain weekly or more frequent records of
13 lottery transactions, including the distribution of
14 tickets or shares to retailers, revenues received,
15 claims for prizes, prizes paid, prizes forfeited, and
16 other financial transactions of the authority.

17 c. The authority shall deposit in the lottery fund
18 created in subsection 2 any moneys received by
19 retailers from the sale of tickets or shares less the
20 amount of any compensation due the retailers. The
21 chief executive officer may require licensees to file
22 with the authority reports of receipts and
23 transactions in the sale of tickets or shares. The
24 reports shall be in the form and contain the
25 information the chief executive officer requires.

26 2. A lottery fund is created in the office of the
27 treasurer of state and shall exist as the recipient
28 fund for authority receipts. The fund consists of all
29 revenues received from the sale of lottery tickets or
30 shares and all other moneys lawfully credited or
31 transferred to the fund. The chief executive officer
32 shall certify quarterly that portion of the fund that
33 has been transferred to the general fund of the state
34 under this chapter and shall cause that portion to be
35 transferred to the general fund of the state.

36 However, upon the request of the chief executive
37 officer and subject to the approval by the treasurer
38 of state, an amount sufficient to cover the
39 foreseeable administrative expenses of the lottery for
40 a period of twenty-one days may be retained from the
41 lottery fund. Prior to the quarterly transfer to the
42 general fund of the state, the chief executive officer
43 may direct that lottery revenue shall be deposited in
44 the lottery fund and in interest-bearing accounts
45 designated by the treasurer of state. Interest or
46 earnings paid on the deposits or investments is
47 considered lottery revenue and shall be transferred to
48 the general fund of the state in the same manner as
49 other lottery revenue.

50 3. The chief executive officer shall certify

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1 before the last day of the month following each
2 quarter that portion of the lottery fund resulting
3 from the previous quarter's sales to be transferred to
4 the general fund of the state.

5 4. For informational purposes only, the chief
6 executive officer shall submit to the department of
7 management by October 1 of each year a proposed
8 operating budget for the authority for the succeeding
9 fiscal year. This budget proposal shall also be
10 accompanied by an estimate of the net proceeds to be
11 deposited into the general fund during the succeeding
12 fiscal year. This budget shall be on forms prescribed
13 by the department of management.

14 5. The authority shall adopt the same fiscal year
15 as that used by state government and shall be audited
16 annually.

17 Sec. 94. NEW SECTION. 99G.41 PRIZE OFFSETS –
18 GARNISHMENTS.

19 1. Any claimant agency may submit to the authority
20 a list of the names of all persons indebted to such
21 claimant agency or to persons on whose behalf the
22 claimant agency is acting. The full amount of the
23 debt shall be collectable from any lottery winnings
24 due the debtor without regard to limitations on the
25 amounts that may be collectable in increments through
26 garnishment or other proceedings. Such list shall
27 constitute a valid lien upon and claim of lien against
28 the lottery winnings of any debtor named in such list.
29 The list shall contain the names of the debtors, their
30 social security numbers if available, and any other
31 information that assists the authority in identifying
32 the debtors named in the list.

33 2. The authority is authorized and directed to
34 withhold any winnings paid out directly by the
35 authority subject to the lien created by this section
36 and send notice to the winner. However, if the winner
37 appears and claims winnings in person, the authority
38 shall notify the winner at that time by hand delivery
39 of such action. The authority shall pay the funds
40 over to the agency administering the offset program.

41 3. Notwithstanding the provisions of section
42 99G.34 which prohibit disclosure by the authority of
43 certain portions of the contents of prize winner
44 records or information, and notwithstanding any other
45 confidentiality statute, the authority may provide to
46 a claimant agency all information necessary to
47 accomplish and effectuate the intent of this section.

48 4. The information obtained by a claimant agency
49 from the authority in accordance with this section
50 shall retain its confidentiality and shall only be

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1 used by a claimant agency in the pursuit of its debt
2 collection duties and practices. Any employee or
3 prior employee of any claimant agency who unlawfully
4 discloses any such information for any other purpose,
5 except as otherwise specifically authorized by law,
6 shall be subject to the same penalties specified by
7 law for unauthorized disclosure of confidential
8 information by an agent or employee of the authority.

9 5. Except as otherwise provided in this chapter,
10 attachments, garnishments, or executions authorized
11 and issued pursuant to law shall be withheld if timely
12 served upon the authority.

13 6. The provisions of this section shall only apply
14 to prizes paid directly by the authority and shall not
15 apply to any retailers authorized by the board to pay
16 prizes of up to six hundred dollars after deducting
17 the price of the ticket or share.

18 Sec. 95. **NEW SECTION. 99G.42 COMPULSIVE GAMBLERS**
19 **- PRINTING ON TICKETS - INFORMATION AT RETAIL**
20 **OUTLETS.**

21 The authority shall cooperate with the gambling
22 treatment program administered by the Iowa department
23 of public health to incorporate information regarding
24 the gambling treatment program and its toll-free
25 telephone number in printed materials distributed by
26 the authority.

27 Sec. 96. Section 7E.5, subsection 1, paragraph d,
28 Code 2003, is amended to read as follows:

29 d. The department of revenue and finance, created
30 in section 421.2, which has primary responsibility for
31 revenue collection and revenue law compliance, and
32 financial management and assistance, ~~and the Iowa~~
33 ~~lottery.~~

34 Sec. 97. Section 7E.6, subsection 3, Code 2003, is
35 amended to read as follows:

36 3. Any position of membership on the ~~lottery~~ board
37 of the Iowa lottery authority shall receive
38 compensation of fifty dollars per day and expenses.

39 Sec. 98. Section 8.22A, subsection 5, paragraph a,
40 Code 2003, is amended to read as follows:

41 a. The amount of lottery revenues for the
42 following fiscal year to be available for disbursement
43 following the deductions made pursuant to section
44 ~~99E.10 99G.39~~, subsection 1.

45 Sec. 99. Section 8.57, subsection 5, paragraph e,
46 unnumbered paragraph 2, Code 2003, is amended to read
47 as follows:

48 If the total amount of moneys directed to be
49 deposited in the general fund of the state under
50 sections 99D.17 and 99F.11 in a fiscal year is less

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1 than the total amount of moneys directed to be
2 deposited in the vision Iowa fund and the school
3 infrastructure fund in the fiscal year pursuant to
4 this paragraph "e", the difference shall be paid from
5 lottery revenues in the manner provided in section
6 ~~99E.10 99G.39~~, subsection 3.

7 Sec. 100. Section 68B.35, subsection 2, paragraph
8 e, Code 2003, is amended to read as follows:

9 e. Members of the banking board, the ethics and
10 campaign disclosure board, the credit union review
11 board, the economic development board, the employment
12 appeal board, the environmental protection commission,
13 the health facilities council, the Iowa finance
14 authority, the Iowa public employees' retirement
15 system investment board, the ~~lottery~~ board of the Iowa
16 lottery authority, the natural resource commission,
17 the board of parole, the petroleum underground storage
18 tank fund board, the public employment relations
19 board, the state racing and gaming commission, the
20 state board of regents, the tax review board, the
21 transportation commission, the office of consumer
22 advocate, the utilities board, the Iowa
23 telecommunications and technology commission, and any
24 full-time members of other boards and commissions as
25 defined under section 7E.4 who receive an annual
26 salary for their service on the board or commission.

27 Sec. 101. Section 99A.10, Code 2003, is amended to
28 read as follows:

29 99A.10 MANUFACTURE AND DISTRIBUTION OF GAMBLING
30 DEVICES PERMITTED.

31 a person may manufacture or act as a distributor
32 for gambling devices for sale out of the state in
33 another jurisdiction where possession of the device is
34 legal or for sale in the state or use in the state if
35 the use is permitted pursuant to either chapter 99B or
36 chapter ~~99E 99G~~.

37 Sec. 102. Section 99B.1, subsection 17, Code 2003,
38 is amended to read as follows:

39 17. "Merchandise" includes lottery tickets or
40 shares sold or authorized under chapter ~~99E 99G~~. The
41 value of the ticket or share is the price of the
42 ticket or share as established by the lottery division
43 of the department of revenue and finance pursuant to
44 chapter ~~99E 99G~~.

45 Sec. 103. Section 99B.6, subsection 5, Code 2003,
46 is amended to read as follows:

47 5. Lottery tickets or shares authorized pursuant
48 to chapter ~~99E 99G~~ may be sold on the premises of an
49 establishment that serves or sells alcoholic
50 beverages, wine, or beer as defined in section 123.3.

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1 Sec. 104. Section 99B.7, subsection 1, paragraph
2 1, subparagraph (1), Code 2003, is amended to read as
3 follows:

4 (1) No other gambling is engaged in at the same
5 location, except that lottery tickets or shares issued
6 by the lottery division of the department of revenue
7 and finance may be sold pursuant to chapter ~~99E~~ 99G.

8 Sec. 105. Section 99B.15, Code 2003, is amended to
9 read as follows:

10 **99B.15 APPLICABILITY OF CHAPTER – PENALTY.**

11 It is the intent and purpose of this chapter to
12 authorize gambling in this state only to the extent
13 specifically permitted by a section of this chapter or
14 chapter 99D, ~~99E, or 99F~~, or 99G. Except as otherwise
15 provided in this chapter, the knowing failure of any
16 person to comply with the limitations imposed by this
17 chapter constitutes unlawful gambling, a serious
18 misdemeanor.

19 Sec. 106. Section 99F.2, Code 2003, is amended to
20 read as follows:

21 **99F.2 SCOPE OF PROVISIONS.**

22 This chapter does not apply to the pari-mutuel
23 system of wagering used or intended to be used in
24 connection with the horse-race or dog-race meetings as
25 authorized under chapter 99D, lottery or lotto games
26 authorized under chapter ~~99E~~ 99G, or bingo or games of
27 skill or chance authorized under chapter 99B.

28 Sec. 107. Section 99F.11, subsection 3, Code 2003,
29 is amended to read as follows:

30 3. Three-tenths of one percent of the adjusted
31 gross receipts shall be deposited in the gambling
32 treatment fund specified in section ~~99E.10~~ 99G.39,
33 subsection 1, paragraph "a".

34 Sec. 108. Section 123.49, subsection 2, paragraph
35 a, Code 2003, is amended to read as follows:

36 a. Knowingly permit any gambling, except in
37 accordance with chapter 99B, 99D, ~~99E, or 99F~~, or 99G,
38 or knowingly permit solicitation for immoral purposes,
39 or immoral or disorderly conduct on the premises
40 covered by the license or permit.

41 Sec. 109. Section 321.19, subsection 1, unnumbered
42 paragraph 2, Code 2003, is amended to read as follows:

43 The department shall furnish, on application, free
44 of charge, distinguishing plates for vehicles thus
45 exempted, which plates except plates on Iowa state
46 patrol vehicles shall bear the word "official" and the
47 department shall keep a separate record. Registration
48 plates issued for Iowa state patrol vehicles, except
49 unmarked patrol vehicles, shall bear two red stars on
50 a yellow background, one before and one following the

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1 registration number on the plate, which registration
2 number shall be the officer's badge number.
3 Registration plates issued for county sheriff's patrol
4 vehicles shall display one seven-pointed gold star
5 followed by the letter "S" and the call number of the
6 vehicle. However, the director of general services or
7 the director of transportation may order the issuance
8 of regular registration plates for any exempted
9 vehicle used by peace officers in the enforcement of
10 the law, persons enforcing chapter 124 and other laws
11 relating to controlled substances, persons in the
12 department of justice, the alcoholic beverages
13 division of the department of commerce, disease
14 investigators of the Iowa department of public health,
15 the department of inspections and appeals, and the
16 department of revenue and finance, who are regularly
17 assigned to conduct investigations which cannot
18 reasonably be conducted with a vehicle displaying
19 "official" state registration plates, persons in the
20 ~~Iowa lottery division of the department of revenue and~~
21 ~~finance authority~~ whose regularly assigned duties
22 relating to security or the carrying of lottery
23 tickets cannot reasonably be conducted with a vehicle
24 displaying "official" registration plates, and persons
25 in the department of economic development who are
26 regularly assigned duties relating to existing
27 industry expansion or business attraction. For
28 purposes of sale of exempted vehicles, the exempted
29 governmental body, upon the sale of the exempted
30 vehicle, may issue for in-transit purposes a
31 pasteboard card bearing the words "Vehicle in
32 Transit", the name of the official body from which the
33 vehicle was purchased, together with the date of the
34 purchase plainly marked in at least one-inch letters,
35 and other information required by the department. The
36 in-transit card is valid for use only within forty-
37 eight hours after the purchase date as indicated on
38 the bill of sale which shall be carried by the driver.

39 Sec. 110. Section 421.17, subsection 27, Code
40 2003, is amended by striking the subsection.

41 Sec. 111. Section 422.16, subsection 1, unnumbered
42 paragraph 4, Code 2003, is amended to read as follows:
43 For the purposes of this subsection, state income
44 tax shall be withheld on winnings in excess of six
45 hundred dollars derived from gambling activities
46 authorized under chapter 99B or ~~99E~~ 99G. State income
47 tax shall be withheld on winnings in excess of one
48 thousand dollars from gambling activities authorized
49 under chapter 99D. State income tax shall be withheld
50 on winnings in excess of twelve hundred dollars

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1 derived from slot machines authorized under chapter
2 99F.

3 Sec. 112. Section 422.43, subsection 2, Code 2003,
4 is amended to read as follows:

5 2. There is imposed a tax of five percent upon the
6 gross receipts derived from the operation of all forms
7 of amusement devices and games of skill, games of
8 chance, raffles, and bingo games as defined in chapter
9 99B, operated or conducted within the state, the tax
10 to be collected from the operator in the same manner
11 as for the collection of taxes upon the gross receipts
12 of tickets or admission as provided in this section.
13 ~~The tax shall also be imposed upon the gross receipts~~
14 ~~derived from the sale of lottery tickets or shares~~
15 ~~pursuant to chapter 99E. The tax on the lottery~~
16 ~~tickets or shares shall be included in the sales price~~
17 ~~and distributed to the general fund as provided in~~
18 ~~section 99E.10.~~

19 Sec. 113. Section 422B.8, unnumbered paragraph 1,
20 Code 2003, is amended to read as follows:

21 a local sales and services tax at the rate of not
22 more than one percent may be imposed by a county on
23 the gross receipts taxed by the state under chapter
24 422, division IV. A local sales and services tax
25 shall be imposed on the same basis as the state sales
26 and services tax or in the case of the use of natural
27 gas, natural gas service, electricity, or electric
28 service on the same basis as the state use tax and
29 shall not be imposed on the sale of any property or on
30 any service not taxed by the state, except the tax
31 shall not be imposed on the gross receipts from the
32 sale of motor fuel or special fuel as defined in
33 chapter 452a which is consumed for highway use or in
34 watercraft or aircraft if the fuel tax is paid on the
35 transaction and a refund has not or will not be
36 allowed, on the gross receipts from the rental of
37 rooms, apartments, or sleeping quarters which are
38 taxed under chapter 422a during the period the hotel
39 and motel tax is imposed, on the gross receipts from
40 the sale of equipment by the state department of
41 transportation, on the gross receipts from the sale of
42 self-propelled building equipment, pile drivers,
43 motorized scaffolding, or attachments customarily
44 drawn or attached to self-propelled building
45 equipment, pile drivers, and motorized scaffolding,
46 including auxiliary attachments which improve the
47 performance, safety, operation, or efficiency of the
48 equipment and replacement parts and are directly and
49 primarily used by contractors, subcontractors, and
50 builders for new construction, reconstruction,

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1 alterations, expansion, or remodeling of real property
2 or structures, and on the gross receipts from the sale
3 of a lottery ticket or share in a lottery game
4 conducted pursuant to chapter 99E 99G and except the
5 tax shall not be imposed on the gross receipts from
6 the sale or use of natural gas, natural gas service,
7 electricity, or electric service in a city or county
8 where the gross receipts from the sale of natural gas
9 or electric energy are subject to a franchise fee or
10 user fee during the period the franchise or user fee
11 is imposed. A local sales and services tax is
12 applicable to transactions within those incorporated
13 and unincorporated areas of the county where it is
14 imposed and shall be collected by all persons required
15 to collect state gross receipts taxes. However, a
16 person required to collect state retail sales tax
17 under chapter 422, division IV, is not required to
18 collect local sales and services tax on transactions
19 delivered within the area where the local sales and
20 services tax is imposed unless the person has physical
21 presence in that taxing area. All cities contiguous
22 to each other shall be treated as part of one
23 incorporated area and the tax would be imposed in each
24 of those contiguous cities only if the majority of
25 those voting in the total area covered by the
26 contiguous cities favor its imposition.

27 Sec. 114. Section 422E.3, subsection 2, Code 2003,
28 is amended to read as follows:

29 2. The tax shall be imposed on the same basis as
30 the state sales and services tax or in the case of the
31 use of natural gas, natural gas service, electricity,
32 or electric service on the same basis as the state use
33 tax and shall not be imposed on the sale of any
34 property or on any service not taxed by the state,
35 except the tax shall not be imposed on the gross
36 receipts from the sale of motor fuel or special fuel
37 as defined in chapter 452a which is consumed for
38 highway use or in watercraft or aircraft if the fuel
39 tax is paid on the transaction and a refund has not or
40 will not be allowed, on the gross receipts from the
41 rental of rooms, apartments, or sleeping quarters
42 which are taxed under chapter 422a during the period
43 the hotel and motel tax is imposed, on the gross
44 receipts from the sale of equipment by the state
45 department of transportation, on the gross receipts
46 from the sale of self-propelled building equipment,
47 pile drivers, motorized scaffolding, or attachments
48 customarily drawn or attached to self-propelled
49 building equipment, pile drivers, and motorized
50 scaffolding, including auxiliary attachments which

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1 improve the performance, safety, operation, or
2 efficiency of the equipment, and replacement parts and
3 are directly and primarily used by contractors,
4 subcontractors, and builders for new construction,
5 reconstruction, alterations, expansion, or remodeling
6 of real property or structures, and on the gross
7 receipts from the sale of a lottery ticket or share in
8 a lottery game conducted pursuant to chapter ~~99E~~ 99G
9 and except the tax shall not be imposed on the gross
10 receipts from the sale or use of natural gas, natural
11 gas service, electricity, or electric service in a
12 city or county where the gross receipts from the sale
13 of natural gas or electric energy are subject to a
14 franchise fee or user fee during the period the
15 franchise or user fee is imposed.

16 Sec. 115. Section 537A.4, unnumbered paragraph 2,
17 Code 2003, is amended to read as follows:

18 This section does not apply to a contract for the
19 operation of or for the sale or rental of equipment
20 for games of skill or games of chance, if both the
21 contract and the games are in compliance with chapter
22 99B. This section does not apply to wagering under
23 the pari-mutuel method of wagering authorized by
24 chapter 99D. This section does not apply to the sale,
25 purchase or redemption of a ticket or share in the
26 state lottery in compliance with chapter ~~99E~~ 99G.
27 This section does not apply to wagering under the
28 excursion boat gambling method of wagering authorized
29 by chapter 99F. This section does not apply to the
30 sale, purchase, or redemption of any ticket or similar
31 gambling device legally purchased in Indian lands
32 within this state.

33 Sec. 116. Section 714B.10, subsection 1, Code
34 2003, is amended to read as follows:

35 1. Advertising by sponsors registered pursuant to
36 chapter 557B, licensed pursuant to chapter 99B, or
37 regulated pursuant to chapter 99D, ~~99E, or 99F, or~~
38 99G.

39 Sec. 117. Section 725.9, subsection 5, Code 2003,
40 is amended to read as follows:

41 5. This chapter does not prohibit the possession
42 of gambling devices by a manufacturer or distributor
43 if the possession is solely for sale out of the state
44 in another jurisdiction where possession of the device
45 is legal or for sale in the state or use in the state
46 if the use is licensed pursuant to either chapter 99B
47 or chapter ~~99E~~ 99G.

48 Sec. 118. Section 725.15, Code 2003, is amended to
49 read as follows:

50 725.15 EXCEPTIONS FOR LEGAL GAMBLING.

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1 Sections 725.5 to 725.10 and 725.12 do not apply to
2 a game, activity, ticket, or device when lawfully
3 possessed, used, conducted, or participated in
4 pursuant to chapter 99B, ~~99E, or 99F, or 99G.~~

5 Sec. 119. Chapter 99E, Code 2003, is repealed.

6 Sec. 120. IOWA LOTTERY AUTHORITY – TRANSITION
7 PROVISIONS.

8 1. For purposes of this section, unless the
9 context otherwise requires:

10 a. "Iowa lottery authority" means the Iowa lottery
11 authority as created in this Act pursuant to chapter
12 99G.

13 b. "Iowa lottery board" means the five-member
14 board established pursuant to 1985 Iowa Acts, chapter
15 33, section 105.

16 c. "Lottery division" means the lottery division
17 of the department of revenue and finance established
18 pursuant to 1985 Iowa Acts, chapter 33, section 103.

19 2. The Iowa lottery authority shall be the legal
20 successor to the lottery division and, as such, shall
21 assume all rights, privileges, obligations, and
22 responsibilities of the lottery division. The
23 promulgated rules of the lottery division shall remain
24 in full force and effect as the rules of the authority
25 until amended or repealed by the authority. In
26 addition, the Iowa lottery authority may continue the
27 security practices and procedures utilized by the
28 lottery division until amended or repealed by the
29 authority.

30 3. The Iowa lottery authority is created effective
31 at 12:01 a.m. on September 1, 2003, upon which date
32 and time the authority shall become the legal
33 successor to the lottery division. Until the
34 aforesaid date and time, no business shall be
35 conducted by the authority on behalf of the lottery,
36 provided, however, that the Iowa lottery commissioner
37 and Iowa lottery board shall implement such measures
38 as are appropriate to ensure a smooth transition from
39 the agency to the Iowa lottery authority as of the
40 effective date of succession.

41 4. Notwithstanding any provision of chapter 99G,
42 as created by this Act, to the contrary, the
43 commissioner of the Iowa lottery established pursuant
44 to 1985 Iowa Acts, chapter 33, section 103, as amended
45 by 1986 Iowa Acts, chapter 1245, section 404, shall
46 serve as the initial chief executive officer of the
47 Iowa lottery authority. In addition, notwithstanding
48 any provision of section 99G.9, as created by this
49 Act, to the contrary, the term of office for the chief
50 executive officer of the Iowa lottery authority as of

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1 September 1, 2003, shall end April 30, 2008.

2 5. Notwithstanding any provision of chapter 99G,
3 as created by this Act, to the contrary, the initial
4 board of directors of the Iowa lottery authority shall
5 consist of the duly appointed and confirmed members of
6 the Iowa lottery board serving at the date of
7 succession. Said board members shall serve as members
8 of the Iowa lottery authority's board of directors
9 throughout the remainder of their respective Iowa
10 lottery board terms, subject to earlier resignation or
11 removal from office for cause as provided by this Act.

12 6. Personnel of the lottery division employed on
13 September 1, 2003, shall transition to the Iowa
14 lottery authority as the initial authority employees.

15 7. Whereas the lottery division was authorized
16 only as a self-funded enterprise and except for an
17 initial appropriation for start-up expenses, funds of
18 the state have not been authorized for use or
19 obligation to pay the expenses or prizes of the
20 lottery division. The Iowa lottery authority shall
21 function as the legal successor to the lottery
22 division and shall assume all of the assets and
23 obligations of the lottery division, and funds of the
24 state shall not be used or obligated to pay the
25 expenses or prizes of the authority or its
26 predecessor, the lottery division.

27 8. In order to effect an immediate and efficient
28 transition of the lottery from the lottery division to
29 the Iowa lottery authority, as soon as practicable,
30 the Iowa lottery authority shall do all of the
31 following:

32 a. Take such steps and enter into such agreements
33 as the board of the Iowa lottery authority may
34 determine are necessary and proper in order to effect
35 the transfer, assignment, and delivery to the
36 authority from the state of all the tangible and
37 intangible assets constituting the lottery, including
38 the exclusive right to operate the lottery and the
39 assignment to and assumption by the authority of all
40 agreements, covenants, and obligations of the lottery
41 division and other agencies of the state, relating to
42 the operation and management of the lottery.

43 b. Receive as transferee from the state of Iowa
44 all of the tangible and intangible assets constituting
45 the lottery including, without limitation, the
46 exclusive authorization to operate a lottery in the
47 state of Iowa and ownership of annuities and bonds
48 purchased prior to the date of transfer and held in
49 the name of the Iowa lottery for payment of lottery
50 prizes, and shall assume and discharge all of the

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1 agreements, covenants, and obligations of the lottery
2 division entered into and constituting part of the
3 operation and management of the lottery. In
4 consideration for such transfer and assumption, the
5 Iowa lottery authority shall transfer to the state all
6 net profits of the authority, at such times and
7 subject to such financial transfer requirements as are
8 provided in this Act.

9 c. Have perpetual succession as an instrumentality
10 of the state and a public authority.

11 9. Notwithstanding any provision of chapter 99G,
12 as created by this Act, to the contrary, the following
13 provisions shall apply to the Iowa lottery authority:

14 a. Moneys appropriated from the lottery fund to
15 the department of revenue and finance, for
16 administration of the lottery for the fiscal year
17 beginning July 1, 2003, and unexpended prior to
18 September 1, 2003, shall be appropriated to the Iowa
19 lottery authority for operation of the lottery.

20 b. Of the moneys collected by the lottery division
21 and Iowa lottery authority for the fiscal year
22 beginning July 1, 2003, fifty-four million eight
23 hundred thousand dollars shall be transferred to the
24 general fund of the state.

25 c. Any authority for establishing the budget of
26 the Iowa lottery authority pursuant to chapter 99G, as
27 created by this Act, shall only apply for the fiscal
28 year beginning July 1, 2004, and each succeeding
29 fiscal year.

30 Sec. 121. EFFECTIVE DATE. This division of this
31 Act, creating the Iowa lottery authority, takes effect
32 September 1, 2003."

33 2. Title page, by striking lines 1 through 4 and
34 inserting the following: "An Act relating to state
35 and local government financial and regulatory matters,
36 making and reducing appropriations, providing a fee,
37 increasing civil penalties, and providing
38 applicability and effective dates."

Amendment H-1472 was adopted, placing the following amendments out of order:

Amendments H-1399 and H-1401 filed by Horbach of Tama on April 22, 2003.

Amendment H-1402 filed by Baudler of Adair, et al., on April 22, 2003.

Amendment H-1443 filed by Heddens of Story, et al., on April 23, 2003.

Amendment H-1444 filed by Wise of Lee, et al., on April 23, 2003.

Amendment H-1446 filed by Alons, et al., on April 23, 2003.

Amendment H-1448 filed by Heaton of Henry on April 23, 2003.

SENATE FILE 453 SUBSTITUTED FOR HOUSE FILE 691

Dix of Butler asked and received unanimous consent to substitute Senate File 453 for House File 691.

Senate File 453, a bill for an act relating to state and local government financial and regulatory matters, making and reducing appropriations, providing a fee, increasing civil penalties, and providing applicability and effective dates, was taken up for consideration.

Reasoner of Union offered the following amendment H-1474 filed by Reasoner, D. Olson of Boone, Swaim of Davis, Mertz of Kossuth, and Wise of Lee from the floor and moved its adoption:

H-1474

1 Amend Senate File 453, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking page 1, line 3 through page 2,
4 line 5.

5 2. Page 4, by striking lines 4 through 6 and
6 inserting the following:

7 "Sec. ____ Sections 403.23, 405A.10, 422.65, and
8 427B.19B, Code 2003, are repealed."

9 3. Page 4, line 11, by striking the figure
10 "70,000,000" and inserting the following:
11 "18,898,350".

12 4. By striking page 11, line 30 through page 13,
13 line 30 and inserting the following:

14 "DIVISION ____
15 RESERVE FUND

16 Sec. ____ CASH RESERVE APPROPRIATION TO GENERAL
17 FUND.

18 1. Notwithstanding section 8.56, subsection 4,
19 paragraph "a", there is appropriated from the cash
20 reserve fund to the general fund of the state for the
21 fiscal year beginning July 1, 2003, and ending June
22 30, 2004, the following amount, or so much thereof as
23 is necessary:

24 \$ 41,101,650

25 2. The appropriation made in this section is
 26 declared to be made for nonrecurring emergency
 27 expenditures as required in section 8.56, subsections
 28 3 and 4.
 29 Sec.____. There is appropriated from the general
 30 fund of the state for the fiscal year beginning July
 31 1, 2003, and ending June 30, 2004, in lieu of the
 32 standing appropriation in section 405A.8, the
 33 following amount to be used for the purpose
 34 designated:
 35 For the personal property tax replacement program
 36 under section 405A.8:
 37 \$ 51,101,650"

Roberts of Carroll in the chair at 3:42 p.m.

Speaker Rants in the chair at 3:44 p.m.

Roll call was requested by Myers of Johnson and Carroll of Poweshiek.

On the question "Shall amendment H-1474 be adopted?" (S.F. 453)

The ayes were, 46:

| | | | |
|------------------|------------|------------|----------|
| Bell | Berry | Bukta | Cohoon |
| Connors | Dandekar | Davitt | Fallon |
| Foege | Ford | Frevert | Gaskill |
| Greimann | Heddens | Hogg | Hunter |
| Huser | Jochum | Kuhn | Lensing |
| Lykam | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Petersen | Quirk | Reasoner |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Van Fossen, J.R. | Wendt | Whitaker | Whitead |
| Winckler | Wise | | |

The nays were, 53:

| | | | |
|------------|-----------|---------|-----------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Bogges | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Horbach | Huseman | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lalk | Lukan | Maddox |
| Manternach | Olson, S. | Paulsen | Raecker |

| | | | |
|------------------|------------------|---------|------------|
| Rasmussen | Rayhons | Roberts | Sands |
| Schickel | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Watts | Wilderdyke |
| Mr. Speaker | | | |
| Rants | | | |

Absent or not voting, 1:

Osterhaus

Amendment H-1474 lost.

Huser of Polk offered the following amendment H-1485 filed by her from the floor and moved its adoption:

H-1485

- 1 Amend Senate File 453, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 2, by inserting after line 5 the
- 4 following:
- 5 "Sec. ____ Section 405A.6, Code 2003, is amended
- 6 to read as follows:
- 7 405A.6 COUNTY HOSPITAL ALLOCATIONS.
- 8 1. For the fiscal year beginning July 1, ~~1988~~
- 9 2003, and each subsequent fiscal year, the amount due
- 10 to each county hospital in the state is equal to the
- 11 general allocation of the county hospital as
- 12 determined in section 405A.2, Code 2003, for the
- 13 fiscal year beginning July 1, 2002.
- 14 ~~2. When a county hospital is discontinued or~~
- 15 ~~organized pursuant to chapter 37, the amounts that~~
- 16 ~~would otherwise be due to the hospital under this~~
- 17 ~~section shall be paid to the county. Notwithstanding~~
- 18 section 8.56, subsections 3 and 4, there is
- 19 appropriated from the cash reserve fund for each
- 20 fiscal year, an amount sufficient to pay the amounts
- 21 due under subsection 1."
- 22 2. Page 4, line 5, by striking the figure
- 23 "405A.6,".
- 24 3. By renumbering as necessary.

Amendment H-1485 lost.

Wise of Lee offered the following amendment H-1481 filed by Wise, Bell of Jasper, Cohoon of Des Moines, Bukta of Clinton, Winckler of Scott and Lykam of Scott from the floor and moved its adoption:

H-1481

1 Amend Senate File 453, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking page 2, line 12 through page 4,
4 line 3.

5 2. Page 4, by striking line 6 and inserting the
6 following: "and 427A.12, Code 2003, are repealed."

7 3. Page 4, line 11, by striking the figure
8 "70,000,000" and inserting the following:
9 "59,090,885".

10 4. By striking page 11, line 30 through page 13,
11 line 30 and inserting the following:

12 "DIVISION ____

13 RESERVE FUND

14 Sec.____. CASH RESERVE APPROPRIATION TO GENERAL
15 FUND.

16 1. Notwithstanding section 8.56, subsection 4,
17 paragraph "a", there is appropriated from the cash
18 reserve fund to the general fund of the state for the
19 fiscal year beginning July 1, 2003, and ending June
20 30, 2004, the following amount, or so much thereof as
21 is necessary:

22 \$ 10,909,115

23 2. The appropriation made in this section is
24 declared to be made for nonrecurring emergency
25 expenditures as required in section 8.56, subsections
26 3 and 4.

27 Sec.____. There is appropriated from the general
28 fund of the state for the fiscal year beginning July
29 1, 2003, and ending June 30, 2004, in lieu of the
30 standing appropriation in section 427B.19A, the
31 following amount, or so much thereof as is necessary,
32 to be used for the purpose designated:

33 For industrial machinery, equipment, and computers
34 property tax replacement claims under section
35 427B.19A:

36 \$ 20,990,800"

37 5. By renumbering, redesignating, and correcting
38 internal references as necessary.

Horbach of Tama in the chair at 4:33 p.m.

Roll call was requested by Dix of Butler and Manternach of Jones.

On the question "Shall amendment H-1481 be adopted?" (S.F. 453)

The ayes were, 44:

| | | | |
|-----------|------------|----------|----------|
| Bell | Berry | Bukta | Cohoon |
| Connors | Dandekar | Davitt | Fallon |
| Foege | Ford | Frevert | Gaskill |
| Greimann | Heddens | Hogg | Hunter |
| Huser | Jochum | Kuhn | Lensing |
| Lykam | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Petersen | Quirk | Reasoner |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Thomas | Wendt |
| Whitaker | Whitead | Winckler | Wise |

The nays were, 54:

| | | | |
|------------------|-----------------------|------------------|--------------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Boggess | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Huseman | Hutter | Jacobs | Jenkins |
| Jones | Klemme | Kramer | Kurtenbach |
| Lalk | Lukan | Maddox | Manternach |
| Olson, S. | Paulsen | Raecker | Rants, Spkr. |
| Rasmussen | Rayhons | Roberts | Sands |
| Schickel | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wildurdyke | Horbach, Presiding | | |

Absent or not voting, 2:

Osterhaus Taylor, T.

Amendment H-1481 lost.

Speaker Rants in the chair at 4:40 p.m.

Petersen of Polk offered the following amendment H-1483 filed by her from the floor and moved its adoption:

H-1483

1 Amend Senate File 453, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 11, by inserting before line 30 the
 4 following:
 5 "DIVISION ____

6 IOWA COMMUNICATIONS NETWORK ACCESS

7 Sec. ____ ICN ACCESS. For the period beginning
8 July 1, 2003, and ending June 30, 2005, a political
9 subdivision of the state shall be considered to be a
10 public agency for purposes of the definition in
11 section 8D.2, subsection 5, paragraph "a", and section
12 8D.11, subsection 4, is not applicable.

13 Sec. ____ Section 8D.13, Code 2003, is amended by
14 adding the following new subsection:

15 NEW SUBSECTION. 20. For the period beginning July
16 1, 2003, and ending June 30, 2005, access to the
17 network shall be offered to political subdivisions of
18 the state, to the extent not otherwise provided for in
19 this chapter, on the same basis and at the same rate
20 as applicable to state agencies."

21 2. Page 11, by inserting before line 30 the
22 following:

23 "DIVISION ____
24 ELECTRONIC LICENSING OF BOATS, ALL-TERRAIN
25 VEHICLES, AND WATERCRAFT

26 Sec. ____ Section 321G.27, Code 2003, is amended
27 to read as follows:

28 321G.27 WRITING FEES.

29 The county recorder shall collect a writing fee of
30 one dollar for an all-terrain vehicle or snowmobile
31 registration. However, the county recorder may
32 collect an additional one dollar writing fee until the
33 electronic licensing system for Iowa administered by
34 the department of natural resources is available to
35 the county recorder for all-terrain vehicle and
36 snowmobile registrations.

37 Sec. ____ Section 462A.53, Code 2003, is amended
38 to read as follows:

39 462A.53 AMOUNT OF WRITING FEES.

40 A writing fee of one dollar for each transaction
41 shall be collected by the county recorder. However,
42 the county recorder may collect an additional one
43 dollar writing fee until the electronic licensing
44 system for Iowa administered by the department of
45 natural resources is available to the county recorder
46 for all-terrain vehicle and snowmobile registrations.
47 If two or more functions are transacted for the same
48 vessel at one time, the writing fee is limited to one
49 dollar the fee charged for a single transaction."

50 3. Page 11, by inserting before line 30 the

Page 2

1 following:

2 "DIVISION ____
3 SOLID WASTE

4 Sec. ____ Section 455D.9, Code 2003, is amended by

5 adding the following new subsection:
6 NEW SUBSECTION. 1A. Yard waste may be accepted by
7 a sanitary landfill for land disposal if the sanitary
8 landfill operates an active methane collection system
9 used for the production of electricity. For purposes
10 of calculating the waste stream and determining the
11 attainment of the waste stream reductions under
12 section 455D.3 for a year in which yard waste has been
13 accepted for land disposal pursuant to this
14 subsection, the planning area shall estimate the
15 amount of tonnage attributable to yard waste and the
16 estimated amount shall be subtracted from the tonnage
17 accepted by the planning area during that year."
18 4. By renumbering as necessary.

Amendment H-1483 lost.

Winckler of Scott offered the following amendment H-1482 filed by her from the floor and moved its adoption:

H-1482

1 Amend Senate File 453, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 23, by inserting after line 14 the
4 following:
5 "Sec.____. PUBLIC EMPLOYEE HEALTH INSURANCE. Any
6 information obtained or developed by the executive
7 branch regarding the concept of combining state and
8 local public employees for the purpose of purchasing
9 health insurance coverage shall be made available to
10 members of the general assembly and provided to
11 legislative staff agencies on or before December 15,
12 2003."
13 2. By renumbering as necessary.

Roll call was requested by Myers of Johnson and Huser of Polk.

On the question "Shall amendment H-1482 be adopted?" (S.F. 453)

The ayes were, 42:

| | | | |
|----------|----------|-----------|----------|
| Bell | Berry | Bukta | Cohoon |
| Connors | Dandekar | Davitt | Foege |
| Ford | Frevert | Gaskill | Greimann |
| Heddens | Hogg | Hunter | Jochum |
| Kuhn | Lensing | Lykam | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Petersen |

| | | | |
|----------|----------|----------|------------|
| Quirk | Reasoner | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Thomas | Wendt | Whitaker | Whitead |
| Winckler | Wise | | |

The nays were, 54:

| | | | |
|------------------|------------------|------------------|-----------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Bogges | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Horbach | Huseman | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lalk | Lukan | Maddox |
| Manternach | Olson, S. | Paulsen | Raecker |
| Rasmussen | Rayhons | Roberts | Sands |
| Schickel | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wilderdyke | Mr. Speaker | | |
| | Rants | | |

Absent or not voting, 4:

| | | | |
|--------|-------|-----------|------------|
| Fallon | Huser | Osterhaus | Taylor, T. |
|--------|-------|-----------|------------|

Amendment H-1482 lost.

Heddens of Story offered the following amendment H-1475 filed by Heddens, Wise of Lee, Cohoon of Des Moines, Wendt of Woodbury and Whitead of Woodbury from the floor and moved its adoption:

H-1475

- 1 Amend Senate File 453, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 26, by striking lines 5 through 17.
- 4 2. By renumbering as necessary.

A non-record roll call was requested.

The ayes were 43, nays 51.

Amendment H-1475 lost.

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

On the question "Shall the bill pass?" (S.F. 453)

The ayes were, 51:

| | | | |
|-----------|------------|------------------|------------------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Bogges | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Horbach | Huseman | Jacobs | Jenkins |
| Jones | Klemme | Kramer | Kurtenbach |
| Lalk | Lukan | Manternach | Olson, S. |
| Paulsen | Raecker | Rasmussen | Rayhons |
| Roberts | Sands | Schickel | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |
| Watts | Wilderdyke | Mr. Speaker | |
| | | Rants | |

The nays were, 47:

| | | | |
|----------|------------------|-----------|------------|
| Bell | Berry | Bukta | Cphoon |
| Connors | Dandekar | Davitt | Fallon |
| Foege | Ford | Frevert | Gaskill |
| Greimann | Heddens | Hogg | Hunter |
| Huser | Hutter | Jochum | Kuhn |
| Lensing | Lykam | Maddox | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Petersen |
| Quirk | Reasoner | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Thomas | Van Fossen, J.R. | Wendt | Whitaker |
| Whitead | Winckler | Wise | |

Absent or not voting, 2:

Osterhaus Taylor, T.

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 453** be immediately messaged to the Senate.

INTRODUCTION OF BILL

House Joint Resolution 11, by committee on environmental protection, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

Read first time and placed on the **calendar**.

MOTION TO RECONSIDER (House File 686)

I move to reconsider the vote by which House File 686 passed the House on April 25, 2003.

GIPP of Winneshiek

EXPLANATION OF VOTE

I was necessarily absent from the House chamber on April 25, 2003. Had I been present, I would have voted "aye" on House Files 686, 689 and Senate File 383.

DAVITT of Warren

BILLS SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on April 24, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 65, an Act relating to motor vehicle operation while intoxicated offenses.

House File 397, an Act relating to community development block grants to the Department of Economic Development and including effective and applicability dates.

House File 489, an Act relating to programs and services under the purview of the Department of Human Services, and providing for retroactive applicability and effective dates.

House File 509, an Act relating to deer and elk chronic wasting disease by establishing a task force and requiring departmental cooperation in the

implementation of chronic wasting disease administrative strategy, and providing an effective date.

PRESENTATION OF VISITORS

Thirty-eight 6th grade students from Boyden-Hull Elementary School, Boyden, Iowa, accompanied by Sarah Kleinwolterink and Mr. Van Wyk. By Alons of Sioux.

SUBCOMMITTEE ASSIGNMENT

House Joint Resolution 10

Environmental Protection: Greiner, Chair; Greimann and Kurtenbach.

HOUSE STUDY BILL SUBCOMMITTEE ASSIGNMENTS

House Study Bill 316

Ways and Means: Tymeson, Chair; Boal and Shoultz.

House Study Bill 317

Ways and Means: Boal, Chair; Hogg and K. Kramer.

COMMITTEE RECOMMENDATIONS

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

MARGARET A. THOMSON
Chief Clerk of the House

COMMITTEE ON APPROPRIATIONS

Senate File 451, a bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

Fiscal Note is required.

Recommended **Do Pass** April 24, 2003.

COMMITTEE ON ENVIRONMENTAL PROTECTION

Committee Bill (Formerly House Joint Resolution 10), a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

Fiscal Note is not required.

Recommended **Do Pass** April 24, 2003.

COMMITTEE ON WAYS AND MEANS

Senate File 441, a bill for an act relating to the transfer of certain property-related tax credits and including effective and retroactive applicability date provisions.

Fiscal Note is not required.

Recommended **Do Pass** April 24, 2003.

Senate File 442, a bill for an act updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactive applicability dates and an effective date.

Fiscal Note is not required.

Recommended **Do Pass** April 24, 2003.

AMENDMENTS FILED

| | | | |
|--------|------|-----|------------------------|
| H—1470 | H.F. | 683 | Rayhons of Hancock |
| H—1471 | H.F. | 624 | Freeman of Buena Vista |
| H—1484 | H.F. | 669 | Drake of Pottawattamie |

On motion by Gipp of Winneshiek the House adjourned at 6:40 p.m., until 1:00 p.m., Monday, April 28, 2003.

JOURNAL OF THE HOUSE

One Hundred Sixth Calendar Day - Seventy-fifth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Monday, April 28, 2003

The House met pursuant to adjournment at 1:05 p.m., Speaker Rants in the chair.

Prayer was offered by Reverend Dave Heilman, pastor of Calvary Christian Reformed Church, Orange City. He was the guest of Representative Ralph Klemme of Plymouth County.

The Journal of Friday, April 25, 2003 was approved.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by six Linn Mar 8th grade students, Marion. They were the guests of Representative Jeff Elgin of Linn County.

INTRODUCTION OF BILL

House File 695, by committee on appropriations, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

Read first time and placed on the **appropriations calendar**.

MOTION TO RECONSIDER WITHDRAWN (Senate File 445)

Gipp of Winneshiek asked and received unanimous consent to withdraw the motion to reconsider **Senate File 445**, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for

school infrastructure or property tax relief purposes and including an effective date, filed by him on April 23, 2003.

MOTION TO RECONSIDER WITHDRAWN
(House File 686)

Gipp of Winneshiek asked and received unanimous consent to withdraw the motion to reconsider **House File 686**, a bill for an act relating to urban renewal and tax increment financing and including effective and retroactive applicability date provisions, filed by him on April 25, 2003.

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House File 686** and **Senate File 445**.

ADOPTION OF HOUSE RESOLUTION 56

Boddicker of Cedar, Gaskill of Wapello and D. Taylor of Linn, called up for consideration **House Resolution 56**, a resolution honoring Iowa musicians Don Daugherty and Glenn Dean Goodwin, and moved its adoption.

The motion prevailed and the resolution was adopted.

SPECIAL PRESENTATION

Boddicker of Cedar introduced to the House, Don Daugherty and Glenn Dean Goodwin.

The House rose and expressed its welcome.

The House stood at ease at 1:18 p.m., until the fall of the gavel.

The House resumed session at 5:17 p.m., Speaker Rants in the chair.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 28, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 329, a bill for an act relating to site preparation for targeted economic development.

Also: That the Senate has on April 28, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 576, a bill for an act relating to the enterprise zone program and including effective date provisions.

Also: That the Senate has on April 28, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 682, a bill for an act relating to wine by providing for native wine permits, providing wine gallonage tax revenue to support grape and wine development, providing for fees, and providing an effective date and retroactive applicability.

Also: That the Senate has on April 23, 2003, passed the following bill in which the concurrence of the House is asked:

Senate File 452, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

MICHAEL E. MARSHALL, Secretary

SENATE MESSAGE CONSIDERED

Senate File 452, by committee on appropriations, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

Read first time and **passed on file**.

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed seventy-nine members present, twenty-one absent.

CONSIDERATION OF BILLS Unfinished Business Calendar

Senate File 344, a bill for an act concerning regulatory and statutory requirements impacting business relating to liability reform, unemployment compensation benefits eligibility and employer contributions, workers' compensation, occupational safety and health, financial services, environmental regulatory requirements, public project contractor requirements, and economic development, with report of committee recommending passage, was taken up for consideration.

Horbach of Tama offered the following amendment H-1488 filed by him from the floor and moved its adoption:

H-1488

1 Amend Senate File 344, as amended, passed, and
2 reprinted by the Senate, as follows:

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

5 "DIVISION I

6 LIABILITY REFORM

7 Section 1. Section 625A.9, Code 2003, is amended
8 to read as follows:

9 625A.9 EXECUTION ON UNSTAYED PART OF JUDGMENT =
10 SUPERSEDEAS BOND WAIVED.

11 1. The taking of the appeal from part of a
12 judgment or order, and the filing of a bond as above
13 directed, does not stay execution as to that part of
14 the judgment or order not appealed from.

15 2. If the judgment or order appealed from is for
16 money, such bond shall not exceed one hundred ten
17 percent of the amount of the money judgment.

18 3. Upon motion and for good cause shown, the
19 district court may stay all proceedings under the
20 order or judgment being appealed and permit the state
21 or any of its political subdivisions to appeal a
22 judgment or order to the supreme court without the
23 filing of a supersedeas bond.

24 Sec. 2. Section 668.12, Code 2003, is amended to
25 read as follows:

26 668.12 LIABILITY FOR PRODUCTS - ~~STATE OF THE ART~~
27 ~~DEFENSE DEFENSES.~~

28 1. In any action brought pursuant to this chapter
29 against an assembler, designer, supplier of
30 specifications, distributor, manufacturer, or seller

31 for damages arising from an alleged defect in the
32 design, testing, manufacturing, formulation,
33 packaging, warning, or labeling of a product, a
34 percentage of fault shall not be assigned to such
35 persons if they plead and prove that the product
36 conformed to the state of the art in existence at the
37 time the product was designed, tested, manufactured,
38 formulated, packaged, provided with a warning, or
39 labeled.

40 2. Nothing contained in this section subsection 1
41 shall diminish the duty of an assembler, designer,
42 supplier of specifications, distributor, manufacturer
43 or seller to warn concerning subsequently acquired
44 knowledge of a defect or dangerous condition that
45 would render the product unreasonably dangerous for
46 its foreseeable use or diminish the liability for
47 failure to so warn.

48 3. An assembler, designer, supplier of
49 specifications, distributor, manufacturer, or seller
50 shall not be subject to liability under a theory of

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1 civil conspiracy unless the person knowingly and
2 voluntarily entered into an agreement, express or
3 implied, to participate in a common plan with the
4 intent to commit a tortious act upon another. Mere
5 membership in a trade or industrial association or
6 group is not, in and of itself, evidence of such an
7 agreement.

8 Sec. 3. Section 668A.1, subsection 1, Code 2003,
9 is amended to read as follows:

10 1. In a trial of a claim involving the request for
11 punitive or exemplary damages, the court shall
12 instruct the jury to answer special interrogatories
13 or, if there is no jury, shall make findings,
14 indicating all of the following:

15 a. Whether, by a preponderance of clear, and
16 convincing, and satisfactory evidence, the conduct of
17 the defendant from which the claim arose constituted
18 willful and wanton disregard for the rights or safety
19 of another.

20 b. Whether the conduct of the defendant was
21 directed specifically at the claimant, or at the
22 person from which the claimant's claim is derived.

23 c. Whether, by a preponderance of clear and
24 convincing evidence, the conduct of the defendant from
25 which the claim arose constituted actual malice.

26 Sec. 4. NEW SECTION. 668A.2 DEFINITIONS.

27 As used in this chapter, the following terms shall
28 have the following meanings:

29 1. "Clear and convincing evidence" means evidence

30 which leaves no serious or substantial doubt about the
31 correctness of the conclusions drawn from the
32 evidence. It is more than a preponderance of
33 evidence, but less than beyond a reasonable doubt.

34 2. "Malice" means either conduct which is
35 specifically intended by the defendant to cause
36 tangible or intangible serious injury to the plaintiff
37 or conduct that is carried out by the defendant both
38 with a flagrant indifference to the rights of the
39 plaintiff and with a subjective awareness that such
40 conduct will result in tangible serious injury.

41 Sec. 5. **NEW SECTION. 668A.3 AWARD OF PUNITIVE OR**
42 **EXEMPLARY DAMAGES – PROOF – STANDARD.**

43 Punitive or exemplary damages shall only be awarded
44 where the plaintiff proves by clear and convincing
45 evidence that the plaintiff's harm was the result of
46 actual malice. This burden of proof shall not be
47 satisfied by proof of any degree of negligence,
48 including gross negligence.

49 **DIVISION II**

50 **WORKERS' COMPENSATION**

Page 3

1 Sec. 6. Section 85.34, subsection 2, unnumbered
2 paragraph 1, Code 2003, is amended to read as follows:

3 Compensation for permanent partial disability shall
4 begin at the termination of the healing period
5 provided in subsection 1. The compensation shall be
6 in addition to the benefits provided by sections 85.27
7 and 85.28. The compensation shall be based only upon
8 the extent of the disability related to the injury
9 received and upon the basis of eighty percent per week
10 of the employee's average spendable weekly earnings,
11 but not more than a weekly benefit amount, rounded to
12 the nearest dollar, equal to one hundred eighty-four
13 percent of the statewide average weekly wage paid
14 employees as determined by the department of workforce
15 development under section 96.19, subsection 36, and in
16 effect at the time of the injury. The minimum weekly
17 benefit amount shall be equal to the weekly benefit
18 amount of a person whose gross weekly earnings are
19 thirty-five percent of the statewide average weekly
20 wage. For all cases of permanent partial disability
21 compensation shall be paid as follows:

22 Sec. 7. Section 85.34, Code 2003, is amended by
23 adding the following new subsection:

24 **NEW SUBSECTION. 7. APPORTIONMENT.** When an
25 employee suffers successive work-related injuries or
26 illnesses, an employer is not liable for that portion
27 of an employee's disability that is caused by any
28 preexisting injury or illness that is separate and

29 discrete from the injury or illness for which
30 compensation is claimed. Evidence that an employee
31 has received a prior award for payment of benefits or
32 entered into a prior settlement of any claim arising
33 under this chapter or chapter 85A, 85B, or 86 creates
34 a presumption that the employee has suffered a
35 preexisting work-related injury or illness that is
36 separate and discrete from the injury or illness for
37 which benefits are claimed and that the extent of
38 disability caused by that preexisting injury or
39 illness has been determined. An employee who suffers
40 from a disability caused in part by a preexisting
41 injury or illness that is separate and discrete from
42 the injury or illness for which compensation is
43 claimed, such that the employer is not liable for that
44 portion of the employee's disability, shall receive
45 compensation for the employee's disability at the
46 employee's weekly benefit amount as provided in this
47 section plus an additional ten percent.

48 DIVISION III

49 FINANCIAL SERVICES

50 Sec. 8. Section 537.2502, subsections 3 and 6,

Page 4

1 Code 2003, are amended to read as follows:

2 3. A delinquency charge shall not be collected
3 under subsection 1, paragraph "a", on an installment
4 ~~which that~~ is paid in full within ten days after its
5 scheduled or deferred installment due date even though
6 an earlier maturing installment or a delinquency or
7 deferral charge on an earlier installment may not have
8 been paid in full. For purposes of this subsection,
9 payments associated with a precomputed transaction are
10 applied first to current installments and then to
11 delinquent installments.

12 6. A delinquency charge shall not be collected
13 under subsection 4 on a payment which associated with
14 a precomputed transaction that is paid in full on or
15 before its scheduled or deferred due date even though
16 an earlier maturing payment or a delinquency or
17 deferred charge on an earlier payment has not been
18 paid in full. For purposes of this subsection,
19 payments are applied first to amounts due for the
20 current billing cycle and then to delinquent payments.

21 Sec. 9. Section 537.2601, subsection 1, Code 2003,
22 is amended to read as follows:

23 1. ~~Except as provided in subsection 2, with~~ With
24 respect to a credit transaction other than a consumer
25 credit transaction, the parties may contract for the
26 payment by the debtor of any finance or other charge
27 as permitted by law. ~~Except with respect to debt~~

28 obligations issued by a government, governmental
29 agency or instrumentality, in calculating any finance
30 charge contracted for, any month may be counted as
31 one twelfth of a year, but a day is to be counted as
32 one three hundred sixty fifth of a year.

33 DIVISION IV

34 UNEMPLOYMENT COMPENSATION SURCHARGE

35 Sec. 10. Section 96.7, subsection 12, paragraph a,
36 Code 2003, is amended to read as follows:

37 a. An employer other than a governmental entity or
38 a nonprofit organization, subject to this chapter,
39 shall pay an administrative contribution surcharge
40 equal in amount to one-tenth of one percent of federal
41 taxable wages, as defined in section 96.19, subsection
42 37, paragraph "b", subject to the surcharge formula to
43 be developed by the department under this paragraph.
44 The department shall develop a surcharge formula that
45 provides a target revenue level of no greater than six
46 million five hundred twenty-five thousand dollars
47 annually for calendar years 2003, 2004, and 2005 and a
48 target revenue level of no greater than three million
49 two hundred sixty-two thousand five hundred dollars
50 for calendar year 2006 and each subsequent calendar

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1 year. The department shall reduce the administrative
2 contribution surcharge established for any calendar
3 year proportionate to any federal government funding
4 that provides an increased allocation of moneys for
5 workforce development offices, under the federal
6 employment services financing reform legislation. Any
7 administrative contribution surcharge revenue that is
8 collected in calendar year 2002 2003, 2004, or 2005 in
9 excess of six million five hundred twenty-five
10 thousand dollars or in calendar year 2006 or a
11 subsequent calendar year in excess of three million
12 two hundred sixty-two thousand five hundred dollars
13 shall be deducted from the amount to be collected in
14 the subsequent calendar year 2003 before the
15 department establishes the administrative contribution
16 surcharge. The department shall recompute the amount
17 as a percentage of taxable wages, as defined in
18 section 96.19, subsection 37, and shall add the
19 percentage surcharge to the employer's contribution
20 rate determined under this section. The percentage
21 surcharge shall be capped at a maximum of seven
22 dollars per employee. The department shall adopt
23 rules prescribing the manner in which the surcharge
24 will be collected. Interest shall accrue on all
25 unpaid surcharges under this subsection at the same
26 rate as on regular contributions and shall be

27 collectible in the same manner. Interest accrued and
28 collected under this paragraph and interest earned and
29 credited to the fund under paragraph "b" shall be used
30 by the department only for the purposes set forth in
31 paragraph "c".

32 Sec. 11. Section 96.7, subsection 12, paragraph d,
33 Code 2003, is amended to read as follows:

34 d. This subsection is repealed July 1, ~~2003~~ 2006,
35 and the repeal is applicable to contribution rates for
36 calendar year ~~2004~~ 2007 and subsequent calendar years.

37 Sec. 12. EFFECTIVE DATE. This division of this
38 Act, concerning the unemployment compensation
39 surcharge, being deemed of immediate importance, takes
40 effect upon enactment.

41 DIVISION V

42 ECONOMIC DEVELOPMENT

43 Sec. 13. NEW SECTION. 15E.18 CITIES, COUNTIES,
44 AND REGIONS – SITE PREPARATION FOR TARGETED ECONOMIC
45 DEVELOPMENT.

46 1. For purposes of this section, "region" means a
47 group of two or more contiguous counties that
48 establishes a single, focused economic development
49 effort.

50 2. A city, county, or region, subject to the

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1 approval of the property owner, may designate an area
2 within the boundaries of the city, county, or region
3 for a specific type of targeted economic development.
4 The specific type of targeted economic development
5 shall be one of the following:

- 6 a. Manufacturing.
- 7 b. Light industrial.
- 8 c. Warehouse and distribution.
- 9 d. Office parks.
- 10 e. Business and commerce parks.
- 11 f. Research and development.

12 3. A city, county, or region that designates an
13 area for a specific type of targeted economic
14 development may apply to the department for purposes
15 of certifying the area as a preapproved development
16 site. The department shall develop criteria for the
17 certification process.

18 4. Prior to a specific project being developed, a
19 city, county, or region designating the area for
20 targeted economic development pursuant to this section
21 may apply for and obtain appropriate licenses,
22 permits, and approvals for the type of targeted
23 economic development project desired for the area.

24 Sec. 14. NEW SECTION. 15E.19 REGULATORY
25 ASSISTANCE.

26 1. The department of economic development shall
27 coordinate all regulatory assistance for the state of
28 Iowa. Each state agency with regulatory programs for
29 business shall maintain a coordinator within the
30 office of the director or the administrative division
31 of the state agency. Each coordinator shall do all of
32 the following:
33 a. Serve as the department of economic
34 development's primary contact for regulatory affairs.
35 b. Provide regulatory requirements to businesses
36 and represent the agency in the private sector.
37 c. Monitor permit applications and provide timely
38 permit status information to the department of
39 economic development.
40 d. Have the ability to require regulatory staff
41 participation in negotiations and discussions with
42 businesses.
43 e. Notify the department of economic development
44 regarding proposed rulemaking activities that impact a
45 regulatory program and any subsequent changes to a
46 regulatory program.
47 2. By January 15 of each year, the department of
48 economic development shall submit a written report to
49 the general assembly regarding the provision of
50 regulatory assistance by state agencies."

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1 2. Title page, by striking lines 2 through 7 and
2 inserting the following: "business relating to
3 liability reform, workers' compensation; financial
4 services, unemployment compensation employer
5 surcharges, and economic development, and providing an
6 effective date."

Speaker pro tempore Carroll in the chair at 5:41 p.m.

Gipp of Winneshiek asked and received unanimous consent that Senate File 344 be deferred and that the bill retain its place on the calendar. (Amendment H-1488 pending)

Ways and Means Calendar

House File 688, a bill for an act relating to biodiesel fuel, including by providing for financial assistance and biodiesel fuel tax credits and providing an applicability date, was taken up for consideration.

Speaker Rants in the chair at 6:12 p.m.

Drake of Pottawattamie offered the following amendment H-1492 filed by him from the floor and moved its adoption:

H-1492

1 Amend House File 688 as follows:

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

4 "Section 1. NEW SECTION. 15E.110 DEFINITIONS.

5 As used in this division, unless the context
6 otherwise requires:

7 1. "Biodiesel stock" means a fuel stock comprised
8 of mon-alkyl esters which may be derived from soybean
9 oil and which is used to produce biodiesel-blended
10 fuel and meets requirements of the American society
11 for testing and materials.

12 2. "Biodiesel-blended fuel" means the same as
13 defined in section 159A.2.

14 3. "Special fuel" means the same as defined in
15 section 452A.2.

16 Sec. 2. NEW SECTION. 15E.113 BIODIESEL EQUIPMENT
17 ACQUISITION PROGRAM.

18 1. The department shall establish a biodiesel
19 equipment acquisition program. The department shall
20 provide financing to eligible persons for the
21 acquisition of equipment to produce and store
22 biodiesel-blended fuel for sale. Equipment includes
23 but is not limited to storage tanks, related devices,
24 and machinery required to compound or blend biodiesel-
25 blended fuel, including by splash blending or
26 injection of biodiesel stock with petroleum-based
27 diesel fuel. The department may provide financing to
28 an eligible person who acquires equipment for redesign
29 planning required to satisfy fire hazard prevention or
30 environmental protection standards promulgated by this
31 state or the federal government.

32 2. The department may provide financing to an
33 eligible person upon review and evaluation of the
34 person's application according to procedures adopted
35 by the department. Financing shall be awarded on a
36 cost-share basis. The eligible person must be one of
37 the following:

38 a. A marine or pipeline terminal. The amount of
39 the financing shall not exceed forty percent of the
40 cost of acquiring the equipment and redesign planning
41 as estimated by the department or forty percent of the
42 actual cost of acquiring the equipment and redesign
43 planning, whichever is less. However, the marine or
44 pipeline terminal shall not receive more than fifty
45 thousand dollars in financing for the acquisition of

46 equipment and the redesign planning at one business
47 location.
48 b. A marketer of special fuels other than a marine
49 or pipeline terminal. The amount of the financing
50 shall not exceed eighty percent of the cost of

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1 acquiring the equipment and redesign planning as
2 estimated by the department or eighty percent of the
3 actual cost of acquiring the equipment and redesign
4 planning, whichever is less. However, the marketer
5 shall not receive more than fifty thousand dollars in
6 financing for the acquisition of equipment and the
7 redesign planning at one business location.

8 3. In order to qualify for financing all of the
9 following must apply:

10 a. The eligible person must be issued a license to
11 blend special fuels by the department of revenue and
12 finance if the person is required to be issued the
13 license pursuant to section 452A.6.

14 b. The eligible person has technical expertise
15 necessary to produce biodiesel-blended fuel.

16 4. a. An eligible person who receives financing
17 under this section shall prepare and deliver an annual
18 report to the administrative unit of the department of
19 natural resources designated by the department to
20 analyze issues relating to energy. A copy of the
21 report shall be delivered to the department of
22 economic development.

23 b. The report shall at least include the total
24 volume of biodiesel-blended fuel produced and sold
25 during the last year by the eligible person at each
26 business location installed with equipment financed
27 under this section. For each gallon of biodiesel-
28 blended fuel produced and sold, the report shall
29 indicate its percentage of biodiesel stock as required
30 by the department.

31 Sec. 3. **NEW SECTION. 15E.113A BIODIESEL STOCK**
32 **PROCESSING PROGRAM.**

33 1. The department shall establish a biodiesel
34 stock processing program. The purpose of the program
35 is to provide financing to eligible persons engaged in
36 the processing of soybean oil into biodiesel stock to
37 be used for the production of biodiesel-blended fuel.
38 This section does not require that a person eligible
39 to receive financing obtain a license to blend special
40 fuels as required by the department of revenue and
41 finance pursuant to section 452A.6.

42 2. A person is eligible to receive financing under
43 the biodiesel stock processing program if all of the
44 following apply:

45 a. The person is a business association organized
46 as a cooperative association under chapter 499 or 501,
47 or a limited liability company organized under chapter
48 490A. Qualified persons as defined in section 10.1
49 must hold at least fifty-one percent of the business
50 association, including fifty-one percent of each class

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1 of or groups of members' equity. As used in this
2 paragraph, "members' equity" includes but is not
3 limited to issued shares, including common stock or
4 preferred stock, regardless of distributions, and
5 membership interests. However, "members' equity" does
6 not include nonvoting interests such as nonvoting
7 common stock or nonvoting membership interests. A
8 security such as a warrant or option that may be
9 converted to voting stock shall be considered members'
10 equity.

11 b. The person demonstrates financial capability
12 and technical expertise necessary for the processing
13 of soybean oil into biodiesel stock used to produce
14 biodiesel-blended fuel. The department may require
15 that the person submit a business plan which includes
16 a description of how the financing will be used, and a
17 description of how the person expects the business
18 association to become profitable.

19 3. a. The department may provide financing to an
20 eligible person upon review and evaluation of the
21 person's application according to procedures adopted
22 by the department. Financing shall be in the form of
23 a grant, loan, forgivable loan, loan guarantee, cost
24 share, indemnification of costs, or any combination of
25 such financing deemed appropriate by the department.
26 The department shall not approve an application to
27 refinance an existing loan. If moneys are repaid to
28 the department pursuant to a loan agreement, the
29 moneys shall be deposited into the biodiesel fuel
30 promotion fund established in section 15E.114.

31 b. An eligible person who receives financing under
32 this section shall prepare and deliver an annual
33 report to the administrative unit of the department of
34 natural resources designated by the department to
35 analyze issues relating to energy. A copy of the
36 report shall be delivered to the department of
37 economic development. The report shall at least
38 include the total volume of biodiesel stock produced
39 during the last year by the eligible person at each
40 business location which benefits from the financing.

41 Sec. 4. NEW SECTION. 15E.114 BIODIESEL FUEL
42 PROMOTION FUND.

43 1. A biodiesel fuel promotion fund is created in

44 the state treasury under the control of the
45 department.

46 2. The biodiesel fuel promotion fund shall include
47 any moneys appropriated to the fund by the general
48 assembly, payments of interest earned, recaptures of
49 awards, repayments of moneys loaned or expended under
50 the biodiesel stock processing program as provided in

Page 4

1 section 15E.113A, the repossession and sale of assets
2 securing a loan made under the program, and any other
3 moneys available to and obtained or accepted by the
4 department from the federal government or private
5 sources for placement in the fund.

6 3. The fund shall be used to support the biodiesel
7 equipment acquisition program as provided in section
8 15E.113 and the biodiesel stock processing program as
9 provided in section 15E.113A.

10 4. a. The department shall not use more than two
11 percent of all moneys deposited and required to be
12 deposited in the fund, as calculated on July 1 of each
13 year for departmental administrative expenses.

14 b. In administering the fund, the department may
15 contract, sue and be sued, and adopt administrative
16 rules necessary to carry out the provisions of this
17 section and sections 15E.113 and 15E.113A. However,
18 the department shall not in any manner directly or
19 indirectly pledge the credit of the state.

20 c. Moneys shall not be transferred, used,
21 obligated, appropriated, or otherwise encumbered
22 except as provided in this section.

23 5. Section 8.33 does not apply to any moneys in
24 the fund. Notwithstanding section 12C.7, interest
25 earned on moneys in the fund shall be credited to the
26 fund.

27 6. The fund is subject to an annual audit by the
28 auditor of state. Moneys in the fund, which may be
29 subject to warrants written by the director of revenue
30 and finance, shall be drawn upon the written
31 requisition of the director of the department of
32 economic development or an authorized representative
33 of the director.

34 Sec. 5. Section 159A.2, subsections 6 and 8, Code
35 2003, are amended to read as follows:

36 6. "Renewable fuel" means an energy source at
37 least in part derived from an organic compound capable
38 of powering machinery, including an engine or power
39 plant. A renewable fuel includes but is not limited
40 to ethanol-blended or ~~soy~~diesel biodiesel-blended
41 fuel.

42 8. "~~Soy~~diesel Biodiesel-blended fuel" means a

43 fuel which is a mixture of diesel fuel and processed
44 soybean oil, if at least ~~twenty~~ two percent of the
45 mixed fuel by volume is processed soybean oil which
46 meets American society for testing and materials
47 standards.

48 Sec. 6. Section 159A.3, subsection 3, paragraph b,
49 Code 2003, is amended to read as follows:

50 b. The office shall promote the production and

Page 5

1 consumption of ~~soy~~diesel biodiesel-blended fuel in
2 this state.

3 Sec. 7. Section 307.20, subsection 1, Code 2003,
4 is amended to read as follows:

5 1. a. A ~~biodiesel~~ biodiesel-blended fuel
6 revolving fund is created in the state treasury. The
7 ~~biodiesel~~ biodiesel-blended fuel revolving fund shall
8 be administered by the department and shall consist of
9 moneys received from the sale of EPAct credits banked
10 by the department ~~on April 19, 2001~~, moneys
11 appropriated by the general assembly, and any other
12 moneys obtained or accepted by the department for
13 deposit in the fund.

14 b. Moneys in the fund are appropriated to and
15 shall be used by the department for the purchase of
16 ~~biodiesel~~ biodiesel-blended fuel for use in department
17 vehicles. The department shall submit an annual
18 report not later than January 31 to the members of the
19 general assembly and the legislative fiscal bureau, of
20 the expenditures made from the fund during the
21 preceding fiscal year.

22 c. Section 8.33 does not apply to any moneys in
23 the fund and, notwithstanding section 12C.7,
24 subsection 2, earnings or interest on moneys deposited
25 in the fund shall be credited to the fund.

26 Sec. 8. Section 307.20, subsection 3, paragraph a,
27 Code 2003, is amended to read as follows:

28 a. "~~Biodiesel~~ Biodiesel-blended fuel" means
29 ~~soy~~diesel fuel the same as defined in section 159A.2.

30 Sec. 9. ELIGIBILITY FOR BIODIESEL EQUIPMENT
31 ACQUISITION PROGRAM. The department may provide
32 financing to a person who is a marine or pipeline
33 terminal or marketer of special fuels under the
34 biodiesel equipment acquisition program as provided in
35 section 15E.113, and who is otherwise eligible to
36 participate in the program if the person has acquired
37 equipment or completed redesign planning on or after
38 January 1, 2002, but prior to the effective date of
39 this Act.

40 Sec. 10. DIRECTIONS TO CODE EDITOR. The Code
41 editor is directed to transfer section 15E.110 as

- 42 enacted in this Act to division X of chapter 15E and
 43 rename the division's title.
 44 Sec. 11. CONTINGENT EFFECTIVENESS OF THIS ACT.
 45 This Act takes effect only if 2003 Iowa Acts, House
 46 File 683 is enacted."
 47 2. Title page, by striking lines 2 and 3, and
 48 inserting the following: "financing, and providing
 49 for the Act's effectiveness."

Amendment H-1492 was adopted.

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

On the question "Shall the bill pass?" (H.F. 688)

The ayes were, 94:

| | | | |
|------------------|------------------|------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Huseman |
| Huser | Hutter | Jacobs | Jenkins |
| Jochum | Jones | Klemme | Kramér |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |
| Osterhaus | Paulsen | Petersen | Quirk |
| Raecker | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Swaim | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rants | | |

The nays were, 4:

| | | | |
|--------|--------|------------|------------|
| Fallon | Hunter | Taylor, D. | Taylor, T. |
|--------|--------|------------|------------|

Absent or not voting, 2:

Kuhn

Struyk

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 688** be immediately messaged to the Senate.

Unfinished Business Calendar

Senate File 341, a bill for an act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date, with report of committee recommending passage, was taken up for consideration.

Whitaker of Van Buren offered the following amendment H-1363 filed by Kuhn of Floyd and moved its adoption:

H-1363

1 Amend Senate File 341, as passed by the Senate, as
2 follows:

3 1. Page 2, by inserting after line 6 the
4 following:

5 "Sec. ____ Section 9H.2, subsection 4, Code 2003,
6 is amended to read as follows:

7 4. A processor which was in compliance with this
8 section prior to April 5, 2000, and which was in
9 violation of this section as a result of 2000 Iowa
10 Acts, chapter 1048, shall have until June 30, 2004
11 2006, to comply with 2000 Iowa Acts, chapter 1048. A
12 processor shall not take action on or after April 5,
13 2000, which would be in violation of this section."

14 2. Page 2, line 13, by striking the figure "2005"
15 and inserting the following: "2007".

16 3. Page 2, by inserting after line 18, the
17 following:

18 "Sec. ____ Section 9H.2A, subsections 1 through 3,
19 Code 2003, are amended to read as follows:

20 1. A processor that was in compliance with section

- 21 9H.2, Code 2001, prior to January 1, 2002, and which
 22 is in violation of section 9H.2, as amended by ~~this~~
 23 ~~Aet 2002 Acts, chapter 1095~~, shall have until June 30,
 24 ~~2004 2006~~, to comply with section 9H.2, as amended by
 25 ~~this Aet 2002 Acts, chapter 1095~~.
- 26 2. Notwithstanding any provision of this section,
 27 a processor shall not take an action on or after
 28 January 1, 2002, that would be in violation of section
 29 9H.2, as amended by ~~this Aet 2002 Acts, chapter 1095~~.
- 30 3. The two-year period that a person who holds an
 31 executive position in a processor or owes a processor
 32 a fiduciary duty and thus is deemed to be a processor
 33 as provided in section 9H.1, subsection 27, paragraph
 34 "b", shall not apply if the person held the position
 35 or owed the duty on January 1, 2002, and relinquishes
 36 the position or duty on or before June 30, ~~2004 2006~~.
- 37 Sec. ____ Section 9H.2A, subsection 4, Code 2003,
 38 is amended by striking the subsection."
- 39 4. Page 4, line 27, by inserting after the word
 40 "section." the following: "The Code editor shall
 41 substitute the term "chapter" for "section" in the law
 42 text."
- 43 5. Page 4, line 29, by striking the figure "28,".
- 44 6. Page 4, line 31, by inserting before the
 45 figure "29" the following: "28,".
- 46 7. By renumbering as necessary.

Amendment H-1363 was adopted.

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

On the question "Shall the bill pass?" (S.F. 341)

The ayes were, 94:

| | | | |
|----------|----------|-----------|------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Drake | Eichhorn |
| Fallon | Foege | Ford | Freeman |
| Frevert | Gaskill | Gipp | Granzow |
| Greimann | Greiner | Hahn | Hansen |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jacobs | Jochum |
| Jones | Kramer | Lalk | Lensing |
| Lukan | Lykam | Maddox | Manternach |

| | | | |
|------------------|------------------|------------|------------------|
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Osterhaus | Paulsen | Petersen |
| Quirk | Raecker | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rants | | |

The nays were, 5:

| | | | |
|------------|-------|---------|--------|
| Dolecheck | Elgin | Jenkins | Klemme |
| Kurtenbach | | | |

Absent or not voting, 1:

Kuhn

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 341** be immediately messaged to the Senate.

The House resumed consideration of Senate File 344 found on pages 1466 through 1472 of the House Journal. (Amendment H-1488 pending)

Horbach of Tama offered the following amendment H-1493, to amendment H-1488, filed by him from the floor and moved its adoption:

H-1493

- 1 Amend the amendment, H-1488, to Senate File 344, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:
- 4 1. Page 2, by inserting after line 48 the
- 5 following:
- 6 "Sec. ____ APPLICABILITY. This division of this
- 7 Act, relating to liability reform, applies to cases
- 8 filed on or after July 1, 2003."

- 9 2. Page 3, by inserting after line 47 the
 10 following:
 11 "Sec. __. APPLICABILITY. This division of this
 12 Act, relating to workers' compensation, applies to an
 13 injury occurring on or after July 1, 2003."
 14 3. By renumbering as necessary.

Amendment H-1493 was adopted.

Horbach of Tama moved the adoption of amendment H-1488, as amended.

A non-record roll call was requested.

The ayes were 53, nays 34.

Amendment H-1488, as amended, was adopted.

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

On the question "Shall the bill pass?" (S.F. 344)

The ayes were, 53:

| | | | |
|------------------|------------------|---------|------------------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Bogges | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Horbach | Huseman | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lalk | Lukan | Maddox |
| Manternach | Olson, S. | Paulsen | Raecker |
| Rasmussen | Rayhons | Roberts | Sands |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wilderdyeke |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, 46:

| | | | |
|----------|----------|---------|---------|
| Bell | Berry | Bukta | Cohoon |
| Connors | Dandekar | Davitt | Fallon |
| Foege | Ford | Frevert | Gaskill |
| Greimann | Heddens | Hogg | Hunter |

| | | | |
|-----------|----------|------------|------------|
| Huser | Jochum | Lensing | Lykam |
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Osterhaus | Petersen | Quirk | Reasoner |
| Schickel | Shoultz | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Wendt | Whitaker | Whitead |
| Winckler | Wise | | |

Absent or not voting, 1:

Kuhn

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 344** be immediately messaged to the Senate.

INTRODUCTION OF BILL

House File 696, by Gipp and Myers, a bill for an act relating to the payment of taxes and payment of financial consideration on a contractual basis to the state from adjusted gross receipts from gambling games at racetrack enclosures and providing an effective date.

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 28, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 675, a bill for an act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for appropriation of fees, and providing penalties.

Also: That the Senate has on April 28, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 685, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust fund.

Also: That the Senate has on April 28, 2003, amended the House amendment, concurred in the House amendment as amended, and passed the following bill in which the concurrence of the House is asked:

Senate File 422, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, by creating a criminal offense of robbery in the third degree, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date.

MICHAEL E. MARSHALL, Secretary

BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 28th day of April, 2003: House Files 319, 387, 454, 541, 600, 628 and 656.

MARGARET A. THOMSON
Chief Clerk of the House

Report adopted.

BILLS SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on April 25, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 204, an Act relating to massage therapy by providing for a study regarding the modalities associated with massage therapy and providing a temporary exemption from licensure requirements.

House File 390, an Act relating to economic development programs for targeted small businesses.

House File 392, an Act relating to economic growth strategic planning.

House File 480, an Act relating to the shelter assistance fund.

House File 493, an Act relating to the powers and duties of the Department of Agriculture and Land Stewardship by providing for the elimination of administrative requirements.

House File 505, an Act to prohibit unauthorized computer access to operational or support data of a rural water district and a municipal utility and providing a penalty.

House File 545, an Act relating to the requirements for newspapers designated for official publication purposes.

House File 603, an Act providing an exception to licensing requirements for certain bingo occasions conducted by nonprofit organizations.

House File 641, an Act providing for changes relating to programs under the purview of the Iowa Department of Public Health.

Senate File 180, an Act relating to the procedures for handling abandoned property and property presumed to be abandoned.

Senate File 221, an Act relating to the criminal offense of sexual exploitation of a minor.

Senate File 340, an Act relating to business entities, based on revisions related to the Iowa Business Corporation Act, including addition of a savings clause and addition of provisions related to director and officer liability, duty, and indemnification for certain insurance companies and indemnification for cooperative associations.

Senate File 352, an Act relating to the training of an individual who intends to become certified as a law enforcement officer.

Senate File 361, an Act relating to emergency procedures for the temporary detention and treatment of persons who are incapacitated or impaired due to substance abuse or mental health problems.

Senate File 394, an Act relating to the regulation of the grain industry, and making penalties applicable.

Also: the governor announced that on April 28, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 547, an Act providing for evidence of financial responsibility filed by commercial pesticide applicators, and providing an effective date.

House File 548, an Act relating to law enforcement officer training at the Iowa Law Enforcement Academy, and providing for a fee.

House File 551, an Act providing for a fee for transporting an inmate for medical or dental care.

House File 557, an Act relating to liability of certain health care facilities and health care providers participating in the Volunteer Health Care Provider Program.

House File 617, an Act requiring that dealers of certain swine file evidence of financial responsibility with the Department of Agriculture and Land Stewardship.

House File 647, an Act relating to insurance, including various filing and information privacy requirements throughout the insurance code, calculation of assessments by the Iowa Individual Health Benefit Reinsurance Association, payment of certain insurance fees, certain self-funded insurance plans by school corporations or political subdivisions designation of the Commissioner of Insurance as process agent for various entities conduction insurance business in this state, notification provisions relating to the effective date of cancellation of insurance, beneficial stock ownership filings, funding agreements, creating an insurable interest in active or retired employee lives for the benefit of an employer, providing for an interstate insurance product regulation compact, and providing for retroactive applicability and an effective date.

House File 648, an Act relating to the consolidation of the management of state archives and records and making conforming changes.

Senate File 172, an Act relating to the establishment of a public charter school pilot program and providing effective and applicability dates.

Senate File 230, an Act relating to the procedure for reducing the number of members of a city council from five to three in certain cities and providing an effective date.

Senate File 351, an Act relating to child care requirements involving prohibitions against involvement with child care, record checks and evaluations performed by the Department of Human Services, eligibility for state assistance, and child care fraud program sanctions, and making penalties applicable.

Senate File 379, an Act relating to certain agricultural liens.

Senate File 386, an Act requiring the Insurance Division of the Department of Commerce to establish a school health insurance reform team study and to make recommendations to the General Assembly.

Senate File 392, an Act relating to the Animal Agriculture Compliance Act, providing for penalties, and providing an effective date.

Senate File 397, an Act relating to the issuance of hunting licenses for antlerless deer, providing for the disposition of harvested deer meat to public institutions, requiring a report, and providing a penalty.

REPORT OF ADMINISTRATION AND RULES COMMITTEE

MR. SPEAKER: Pursuant to House Concurrent Resolution 104 and Senate Concurrent Resolution 5, your committee on administration and rules submits the following to be employed in the indicated positions, and at the indicated classification, grades and steps, and the changes in the classification of the indicated officers and employees to be effective on the date indicated:

| <u>Position</u> | <u>Name</u> | <u>Grade- Step</u> | <u>Class of Appointment</u> | <u>Eff. Date</u> |
|---|-----------------------|------------------------|---------------------------------|----------------------|
| Sr. Leg Research Analyst | Ann M. McCarthy | 38-5 | P-FT | 02-21-03 |
| Legislative Secretary | Judith K. Elliott | 15-2 to 15-3 | S-O | 03-14-03 |
| Sr Leg Research Analyst | Lon W. Anderson | 38-3 to 38-4 | P-FT | 03-28-03 |
| Leg Research Analyst 11 | Anna M. Hyatt-Crozier | 32-2 to 32-3 | P-FT | 03-28-03 |
| Doorkeeper | Howard H. Scott | 11-1 to 11-2 | S-O | 03-28-03 |
| Assistant Editor | A. Nathan Treloar | 19-1 | E-FT to S-O | 03-28-03 |
| Legislative Committee Secretary | Opal M. Bigham | 17-1 to | S-O | 04-11-03 |
| Legislative Secretary | Devin L. Boerm | 15-1 to 15-2 | S-O | 04-11-03 |
| Finance Officer I | Kelly M. Bronsink | 24-5 to 24-6 | P-FT | 04-11-03 |
| Legislative Secretary | Dawn M. Chamberlain | 15-1 to 15-2 | S-O | 04-11-03 |
| Legislative Committee Secretary | Brooke A Findley | 17-1 to 17-2 | S-O | 04-11-03 |
| Legislative Secretary | Martha L. Fullerton | 15-1 to 15-2 | S-O | 04-11-03 |
| Legislative Secretary | Vikki R. Hanson | 15-1 to 15-2 | S-O | 04-11-03 |
| Legislative Secretary | Janet M Jones | 16-1 to 16-2 | S-O | 04-11-03 |
| Legislative Secretary | Kyle S. McCullough | 16-1 to 16-2 | S-O | 04-11-03 |
| Legislative Secretary | Lacey R. Oliver | 16-1 to 16-2 | S-O | 04-11-03 |
| Legislative Committee Secretary | Martha S. Raecker | 18-1 to 18-2 | S-O | 04-11-03 |
| Legislative Secretary | Diane G Schoultz | 16-1 to 16-2 | S-O | 04-11-03 |
| Doorkeeper | James H. Beyer | 11-2 to 11-3 | S-O | 04-25-03 |
| Legislative Committee Secretary | Jill J. Beni | 17-2 to 17-3 | S-O | 04-25-03 |
| Legislative Secretary | Diane K. Burget | 16-2 to 16-3 | S-O | 04-25-03 |
| Legislative Committee Secretary | Mary Beth Danzer | 17-2 to 17-3 | S-O | 04-25-03 |
| Admin Asst III to Leader Sr. AA to Leader | Carolyn McNeill | 35-4 to 38-3 | P-PT | 04-25-03 |
| Legislative Committee Secretary | Lynn M. Hoffman | 17-2 to 17-3 | S-O | 04-25-03 |

| | | | | |
|-----------------------|-------------------|---------|-----|----------|
| Legislative Committee | Melba K. Murken | 17-2 to | S-O | 04-25-03 |
| Secretary | | 17-3 | | |
| Legislative Secretary | Darlene A VanOort | 18-2 to | S-O | 04-25-03 |
| | | 18-3 | | |

Pursuant to Senate Concurrent Resolution 5, duly adopted, the following is a list of officers and employees of the Joint Senate/House and their recommended classification grades and steps:

| | | | | |
|--------------------|-----------------------|---------|------|----------|
| Facilities Manager | 11 Mark L. Willemssen | 38-5 to | P-Ff | 03-28-03 |
|--------------------|-----------------------|---------|------|----------|

COMMUNICATION RECEIVED

The following communication was received and filed in the office of the Chief Clerk:

OFFICE OF DRUG CONTROL POLICY

2003 update to Iowa's Drug Control Strategy, pursuant to Chapter 80E.1, Code of Iowa.

SUBCOMMITTEE ASSIGNMENT

House File 693

Education: Roberts, Chair; Boal, Dandekar, Dolecheck, Schickel, Stevens and Wise.

COMMITTEE RECOMMENDATION

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the following committee recommendation has been received and is on file in the office of the Chief Clerk.

MARGARET A. THOMSON
Chief Clerk of the House

COMMITTEE ON APPROPRIATIONS

Committee Bill, (Formerly LSB 1128YC), relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

Fiscal Note is required.

Recommended **Do Pass** April 25, 2003.

RESOLUTIONS FILED

HR 57, by Granzow, a resolution honoring the city of Eldora on its sesquicentennial year.

Laid over under **Rule 25**.

HR 58, by Granzow, a resolution honoring the city of Buckeye on its centennial year.

Laid over under **Rule 25**.

HR 59, by Whitaker, a resolution to urge that the President of the United States, the United States Department of Agriculture, and the United States Congress take all necessary measures to prevent the spread of the soybean rust fungus into the United States, including by suspending any imports of soybean crops that originate in regions where the disease has been found to be present.

Laid over under **Rule 25**.

AMENDMENTS FILED

| | | | |
|--------|------|-----|--------------------------|
| H—1487 | H.F. | 654 | Senate Amendment |
| H—1489 | H.F. | 683 | Watts of Dallas |
| | | | J.K. Van Fossen of Scott |
| | | | Granzow of Hardin |
| | | | Kramer of Polk |
| H—1490 | H.F. | 683 | Paulsen of Linn |
| | | | Watts of Dallas |
| | | | J.K. Van Fossen of Scott |
| | | | Granzow of Hardin |
| | | | Kramer of Polk |
| | | | Upmeyer of Hancock |
| H—1491 | H.F. | 683 | Watts of Dallas |
| | | | J.K. Van Fossen of Scott |
| | | | Granzow of Hardin |
| | | | Kramer of Polk |
| H—1494 | H.F. | 676 | Alons of Sioux |
| H—1495 | H.F. | 685 | Senate Amendment |
| H—1496 | H.F. | 675 | Senate Amendment |
| H—1497 | S.F. | 422 | Senate Amendment |

On motion by Gipp of Winneshiek the House adjourned at 6:56 p.m., until 8:45 a.m., April 29, 2003.

JOURNAL OF THE HOUSE

One Hundred Seventh Calendar Day - Seventy-sixth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Tuesday, April 29, 2003

The House met pursuant to adjournment at 8:49 a.m., Speaker Rants in the chair.

Prayer was offered by Dr. Robert Kunz, pastor of the Marion Christian Church, Marion. He was the guest of Representative Swati Dandekar of Linn County.

The Journal of Monday, April 28, 2003 was approved.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

Prior to convening the House was entertained by the fiddle music of Curtis Carroll, son of the Honorable Speaker pro tempore, Danny Carroll of Poweshiek County.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 28, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 450, a bill for an act creating an exception to the statutory rule against perpetuities and making related changes.

Also: That the Senate has on April 28, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 672, a bill for an act relating to the regulation of adult day services, providing for penalties, and providing an effective date.

Also: That the Senate has on April 28, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 694, a bill for an act relating to the judicial branch including by establishing a judicial district and judicial election district redistricting process,

making changes to the nomination, appointment, and retention of judges, expanding magistrate courts, eliminating the position of alternate district associate judge, permitting district judgeships to be apportioned or transferred to another judicial district, requiring the county sheriff to serve a summons in certain delinquency proceedings, eliminating the participation of the foster care review board in voluntary foster care placements, waiving the filing fee and court costs in certain contempt actions, changing the duties of and the procedures related to the clerk of the district court, providing that interest on a judgment be calculated upon the one year treasury constant maturity plus two percent, expanding the access of the deferred judgment docket, prohibiting regional litigation centers, modifying the schedule of the probate court, providing for a fee, and providing for a study.

Also: That the Senate has on April 28, 2003, adopted the following resolution in which the concurrence of the House is asked:

Senate Joint Resolution 5, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

Also: That the Senate has on April 28, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

Senate File 341, a bill for an act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date.

MICHAEL E. MARSHALL, Secretary

SENATE MESSAGE CONSIDERED

Senate Joint Resolution File 5, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date.

Read first time and passed on file.

The House stood at ease at 8:55 a.m., until the fall of the gavel.

The House resumed session at 1:04 p.m., Speaker Rants in the chair.

ADOPTION OF HOUSE RESOLUTION 58

Granzow of Hardin called up for consideration **House Resolution 58**, a resolution honoring the city of Buckeye on its centennial year, and moved its adoption.

The motion prevailed and the resolution was adopted.

INTRODUCTION OF BILL

House File 697, by committee on ways and means, a bill for an act relating to the administration of the tax and related laws by the department of revenue and finance, including administration of state individual income, sales, property, motor fuel, special fuel, cigarette, tobacco, inheritance taxes, and local hotel and motel taxes, and the premiums tax on mutual insurance associations, and including effective and retroactive applicability date provisions.

Read first time and placed on the **ways and means calendar**.

The House stood at ease at 1:09 p.m., until the fall of the gavel.

The House resumed session at 4:07 p.m., Speaker Rants in the chair.

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Miller of Webster by Myers of Johnson.

Gipp of Winneshiek asked and received unanimous consent for the immediate consideration of House File 696.

COMMITTEE RECOMMENDATION

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the following committee recommendation has been received and is on file in the office of the Chief Clerk.

MARGARET A. THOMSON
Chief Clerk of the House

COMMITTEE ON WAYS AND MEANS

House File 696, a bill for an act relating to the payment of taxes and payment of financial consideration on a contractual basis to the state from adjusted gross receipts from gambling games at racetrack enclosures and providing an effective date.

Fiscal Note is not required.

Recommended **Do Pass** April 29, 2003.

CONSIDERATION OF BILLS

Ways and Means Calendar

House File 696, a bill for an act relating to the payment of taxes and payment of financial consideration on a contractual basis to the state from adjusted gross receipts from gambling games at racetrack enclosures and providing an effective date, was taken up for consideration.

Eichhorn of Hamilton offered the following amendment H-1508 filed by him and Hansen of Pottawattamie from the floor and moved its adoption:

H-1508

- 1 Amend House File 696 as follows:
- 2 1. Page 2, line 6, by inserting after the words
- 3 "pursuant to the" the following: "final decision in
- 4 the".
- 5 2. Page 2, line 8, by inserting after the word
- 6 "Fitzgerald," the following: "and which is cited at".
- 7 3. Page 2, line 13, by inserting after the words
- 8 "pursuant to the" the following: "final decision in
- 9 the".
- 10 4. Page 2, line 14, by inserting after the word
- 11 "Fitzgerald," the following: "and which is cited at".

Amendment H-1508 was adopted.

Gipp of Winneshiek asked and received unanimous consent that House File 696 be deferred and that the bill retain its place on the calendar.

ADOPTION OF HOUSE RESOLUTION 42

Mertz of Kossuth called up for consideration **House Resolution 42**, a resolution honoring the City of Whittemore on its quasiquicentennial year and moved its adoption.

The motion prevailed and the resolution was adopted.

Appropriations Calendar

House File 676, a bill for an act establishing a veterans trust fund under the control of the commission of veterans affairs and making an appropriation, was taken up for consideration.

Alons of Sioux offered the following amendment H-1454 filed by the committee on appropriations and moved its adoption:

H-1454

- 1 Amend House File 676 as follows:
- 2 1. Title page, line 2, by striking the words
- 3 "making an" and inserting the following: "providing a
- 4 contingent".

The committee amendment H-1454 was adopted.

Quirk of Chickasaw asked and received unanimous consent to withdraw amendment H-1499 filed by him from the floor.

Alons of Sioux offered the following amendment H-1494 filed by him and moved its adoption:

H-1494

- 1 Amend House File 676 as follows:
- 2 1. Page 1, line 31, by inserting after the word
- 3 "section" the following: "shall not be used to
- 4 supplant funding previously provided by other sources.
- 5 The moneys".
- 6 2. Page 2, by striking line 1 and inserting the
- 7 following:
- 8 "c. Expenses relating to an individual receiving
- 9 care by a nursing facility that are not payable by any
- 10 other sources."

Amendment H-1494 was adopted.

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

On the question "Shall the bill pass?" (H.F. 676)

The ayes were, 99:

| | | | |
|------------------|------------------|------------------|------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Fallon | Foege |
| Ford | Freeman | Frevert | Gaskill |
| Gipp | Granzow | Greimann | Greiner |
| Hahn | Hansen | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Huser | Hutter |
| Jacobs | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Osterhaus | Paulsen |
| Petersen | Quirk | Raecker | Rasmussen |
| Rayhons | Reasoner | Roberts | Sands |
| Schickel | Shoultz | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Mr. Speaker | |
| | | Rants | |

The nays were, none.

Absent or not voting, 1:

Miller

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

SENATE AMENDMENT CONSIDERED

Hahn of Muscatine called up for consideration **House File 654**, a bill for an act relating to the exemption of sand handling and core and mold making equipment used in the mold making process from sales and use taxes, providing refunds, and including effective and retroactive applicability date provisions, amended by the Senate, and moved that the House concur in the following Senate amendment H-1487:

H-1487

1 Amend House File 654, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 1, by striking lines 13 and 14 and
 4 inserting the following: "shall be limited to six
 5 hundred thousand dollars in the aggregate and shall
 6 not be allowed unless refund claims are filed prior to
 7 October 1, 2003, notwithstanding any other provision
 8 of law. If the amount of claims totals more than six
 9 hundred thousand dollars in the aggregate, the
 10 department of revenue and finance shall prorate the
 11 six hundred thousand dollars among all claimants in
 12 relation to the amounts of the claimants' valid
 13 claims. However, notwithstanding any other provision
 14 of law, each valid refund claim shall be paid by the
 15 department of revenue and finance in five equal
 16 installments, or as equal as possible, over five
 17 fiscal years beginning with the fiscal year beginning
 18 July 1, 2003. Claimants shall not be entitled to
 19 interest on any installments."

The motion prevailed and the House concurred in the Senate amendment H-1487.

Hahn of Muscatine moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 654)

The ayes were, 73:

| | | | |
|------------|------------|-----------|-----------|
| Alons | Arnold | Baudler | Bell |
| Boal | Boddicker | Boggess | Carroll |
| Chambers | Cohoon | Dandekar | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Freeman | Gipp |
| Granzow | Greiner | Hahn | Hansen |
| Hanson | Heaton | Hoffman | Horbach |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lalk | Lukan | Lykam |
| Maddox | Manternach | McCarthy | Mertz |
| Myers | Olson | Olson, D. | Olson, S. |
| Paulsen | Petersen | Quirk | Raecker |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Smith | Stevens |

| | | | |
|-------------|------------------|------------------|------------------|
| Struyk | Swaim | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. |
| Watts | Whitaker | Wilderdyke | Wise |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, 26:

| | | | |
|------------|------------|-----------|---------|
| Berry | Bukta | Connors | Davitt |
| Fallon | Foege | Ford | Frevert |
| Gaskill | Greimann | Heddens | Hogg |
| Hunter | Jochum | Kuhn | Lensing |
| Mascher | Murphy | Osterhaus | Shoultz |
| Taylor, D. | Taylor, T. | Thomas | Wendt |
| Whitead | Winckler | | |

Absent or not voting, 1:

Miller

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

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House Files 654 and 676.**

SENATE AMENDMENT CONSIDERED

Heaton of Henry called up for consideration **House File 685**, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund, amended by the Senate amendment H-1495 as follows:

H-1495

- 1 Amend House File 685, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 4, by inserting after line 10, the
- 4 following:
- 5 "aa. For a grant to a program that utilizes high
- 6 school mentors to teach life skills, violence
- 7 prevention, and character education in an effort to
- 8 reduce the illegal use of alcohol, tobacco, and other
- 9 substances:
- 10 \$ 400,000"

- 11 2. Page 5, line 13, by striking the figure
- 12 "2,200,000" and inserting the following: "2,346,960".
- 13 3. Page 5, line 28, by striking the figure
- 14 "141,810" and inserting the following: "288,770".
- 15 4. Page 7, line 32, by striking the figure
- 16 "4,660,000" and inserting the following: "5,206,960".
- 17 5. By renumbering, redesignating, and correcting
- 18 internal references as necessary.

Heaton of Henry offered the following amendment H-1509, to the Senate amendment H-1495, filed by him from the floor and moved its adoption:

H-1509

- 1 Amend the Senate amendment, H-1495, to House File
- 2 685, as amended, passed, and reprinted by the House,
- 3 as follows:
- 4 1. Page 1, by striking lines 3 through 10.
- 5 2. Page 1, line 16, by striking the figure
- 6 "5,206,960" and inserting the following: "4,806,960".

Amendment H-1509 was adopted.

On motion by Heaton of Henry the House concurred in the Senate amendment H-1495, as amended.

Heaton of Henry moved that the bill, as amended by the Senate further amended and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 685)

The ayes were, 99:

| | | | |
|----------|----------|-----------|---------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Fallon | Foege |
| Ford | Freeman | Frevert | Gaskill |
| Gipp | Granzow | Greimann | Greiner |
| Hahn | Hansen | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Huser | Hutter |
| Jacobs | Jenkins | Jochum | Jones |

| | | | |
|------------------|------------------|------------------|------------|
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Osterhaus | Paulsen |
| Petersen | Quirk | Raecker | Rasmussen |
| Rayhons | Reasoner | Roberts | Sands |
| Schickel | Shoultz | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Mr. Speaker | |
| | | Rants | |

The nays were, none.

Absent or not voting, 1:

Miller

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 685** be immediately messaged to the Senate.

SENATE AMENDMENT CONSIDERED

Maddox of Polk called up for consideration **Senate File 422**, a bill for an act relating to the criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances, modifying dissemination of sex offender registry information and residence restrictions for a sex offender, repealing certain determinate sentences, changing the parole and work release eligibility of a person serving a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by permitting the reopening of such a sentence, providing a penalty, and providing an effective date, amended by the House, further amended by the Senate and moved that the House concur in the following Senate amendment H-1497 to the House amendment:

H-1497

- 1 Amend the House amendment, S-3301, to Senate File
- 2 422, as amended, passed, and reprinted by the Senate,
- 3 as follows:
- 4 1. Page 1, by striking lines 4 through 25.
- 5 2. Page 1, by striking lines 28 through 41.
- 6 3. Page 2, by inserting after the line 13, the
- 7 following:
- 8 "____. Title page, line 1, by striking the word
- 9 "the"."
- 10 4. Page 2, by striking lines 14 and 15.
- 11 5. Page 2, by striking lines 18 through 21 and
- 12 inserting the following: "by permitting the reopening
- 13 of a sentence that requires a maximum accumulation of
- 14 earned time credits of fifteen percent of the total
- 15 term of confinement and by changing the parole and
- 16 work release eligibility of a person serving such a
- 17 sentence, repealing certain determinate sentences, and
- 18 providing a penalty."

The motion prevailed and the House concurred in the Senate amendment H-1497, to the House amendment.

Maddox of Polk moved that the bill, as amended by the House, further amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (S.F. 422)

The ayes were, 70:

| | | | |
|------------|---------|------------|------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Bogges |
| Bukta | Carroll | Chambers | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Ford | Freeman |
| Gipp | Granzow | Greimann | Greiner |
| Hahn | Hansen | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Huseman | Jacobs | Jenkins | Jones |
| Klemme | Kramer | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | Murphy | Myers |
| Olson, S. | Paulsen | Quirk | Raecker |
| Rasmussen | Rayhons | Roberts | Sands |
| Smith | Stevens | Swaim | Taylor, D. |

| | | | |
|----------|-------------|---------|------------------|
| Thomas | Tymeson | Upmeyer | Van Engelenhoven |
| Watts | Wendt | Whitead | Wilderdyke |
| Winckler | Mr. Speaker | | |
| | Rants | | |

The nays were, 29:

| | | | |
|-----------|------------------|------------------|------------|
| Cohoon | Connors | Dandekar | Davitt |
| Fallon | Foege | Frevert | Gaskill |
| Hunter | Huser | Hutter | Jochum |
| Kuhn | McCarthy | Mertz | Oldson |
| Olson, D. | Osterhaus | Petersen | Reasoner |
| Schickel | Shoultz | Struyk | Taylor, T. |
| Tjepkes | Van Fossen, J.K. | Van Fossen, J.R. | Whitaker |
| Wise | | | |

Absent or not voting, 1:

Miller

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 422** be immediately messaged to the Senate.

Gipp of Winneshiek asked and received unanimous consent for the immediate consideration of Senate File 451.

Appropriations Calendar

Senate File 451, a bill for an act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads, modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations, with report of committee recommending passage, was taken up for consideration.

Roberts of Carroll in the chair at 5:04 p.m.

Heaton of Henry offered the following amendment H-1500 filed by Heaton, Wise of Lee and Cohoon of Des Moines from the floor and moved its adoption:

H-1500

- 1 Amend Senate File 451, as passed by the Senate, as
- 2 follows:
- 3 1. Page 1, line 34, by inserting after the word
- 4 "roads" the following: ", except the portion of state
- 5 highway 16 located between United States highway 218
- 6 and United States highway 61,".

Amendment H-1500 lost.

Cohoon of Des Moines offered the following amendment H-1501 filed by Cohoon, Wise of Lee and Heaton of Henry from the floor and moved its adoption:

H-1501

- 1 Amend Senate File 451, as passed by the Senate, as
- 2 follows:
- 3 1. Page 2, line 1, by inserting after the figure
- 4 "2003." the following: "However, the jurisdiction and
- 5 control of the portion of state highway 79 from
- 6 Middletown west to Geode state park shall not be so
- 7 transferred."

Amendment H-1501 lost.

Cohoon of Des Moines offered the following amendment H-1502 filed by Cohoon, Wise of Lee, Heaton of Henry from the floor and moved its adoption:

H-1502

- 1 Amend Senate File 451, as passed by the Senate, as
- 2 follows:
- 3 1. Page 2, line 1, by inserting after the figure
- 4 "2003." the following: "However, the jurisdiction and
- 5 control of the portion of state highway 99 between
- 6 Wapello and Burlington shall not be so transferred."

A non-record roll call was requested.

The ayes were 43, nays 46.

Amendment H-1502 lost.

Swaim of Davis offered the following amendment H-1505 filed by him and Gaskill of Wapello from the floor and moved its adoption:

H-1505

- 1 Amend Senate File 451, as passed by the Senate, as
- 2 follows:
- 3 1. Page 2, line 1, by inserting after the figure
- 4 "2003." the following: "However, the jurisdiction and
- 5 control of the portion of state highway 273 from
- 6 United States highway 63 west to Lake Wapello state
- 7 park shall not be so transferred."

Amendment H-1505 lost.

Stevens of Dickinson offered the following amendment H-1514 filed by him from the floor and moved its adoption:

H-1514

- 1 Amend Senate File 451, as passed by the Senate, as
- 2 follows:
- 3 1. Page 2, line 1, by inserting after the figure
- 4 "2003." the following: "However, the jurisdiction and
- 5 control of the portion of state highway 276 from the
- 6 city of Orleans to the Minnesota border shall not be
- 7 so transferred."

Amendment H-1514 lost.

Stevens of Dickinson offered the following amendment H-1515 filed by him from the floor and moved its adoption:

H-1515

- 1 Amend Senate File 451, as passed by the Senate, as
- 2 follows:
- 3 1. Page 2, line 1, by inserting after the figure
- 4 "2003." the following: "However, the jurisdiction and
- 5 control of the portion of state highway 327 from the
- 6 city of Orleans to the Minnesota border shall not be
- 7 so transferred."

Amendment H-1515 lost.

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

On the question "Shall the bill pass?" (S.F. 451)

The ayes were, 74:

| | | | |
|-----------|-------------|------------------|------------------|
| Alons | Bell | Berry | Boal |
| Bogges | Bukta | Carroll | Connors |
| Dandekar | Dennis | Dix | Dolecheck |
| Elgin | Fallon | Ford | Freeman |
| Frevert | Gaskill | Gipp | Granzow |
| Greimann | Hansen | Hanson | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jochum | Klemme | Kramer |
| Kuhn | Kurtenbach | Lalk | Lukan |
| Lykam | Maddox | Manternach | McCarthy |
| Mertz | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Osterhaus | Paulsen |
| Petersen | Quirk | Raecker | Rasmussen |
| Reasoner | Roberts | Schickel | Shoultz |
| Smith | Stevens | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Van Fossen, J.K. | Van Fossen, J.R. |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Mr. Speaker | | |
| | Rants | | |

The nays were, 24:

| | | | |
|---------|------------------|----------|----------|
| Arnold | Baudler | Chambers | Cohoon |
| Davitt | De Boef | Drake | Eichhorn |
| Foege | Greiner | Hahn | Heaton |
| Jones | Lensing | Mascher | Rayhons |
| Sands | Struyk | Swaim | Tymeson |
| Upmeyer | Van Engelenhoven | Watts | Wise |

Absent or not voting, 2:

Boddicker Miller

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 451** be immediately messaged to the Senate.

Ways and Means Calendar

The House resumed consideration of **House File 696**, a bill for an act relating to the payment of taxes and payment of financial consideration on a contractual basis to the state from adjusted gross receipts from gambling games at racetrack enclosures and providing an effective date, previously deferred and found on pages 1492 through 1506 of the House Journal.

Hogg of Linn offered the following amendment H-1513 filed by him from the floor and moved its adoption:

H-1513

1 Amend House File 696 as follows:

2 1. Page 2, line 3, by inserting after the words
3 "period of time," the following: "If the licensee has
4 failed to cure the breach and the commission, after
5 reasonable notice and hearing, finds that the breach
6 was intentional, the commission may terminate the
7 licensee's license to conduct gambling games at its
8 pari-mutuel racetrack enclosure."

Amendment H-1513 lost.

Hogg of Linn offered the following amendment H-1512 filed by him from the floor and moved its adoption:

H-1512

1 Amend House File 696 as follows:

2 1. Page 3, by inserting after line 19 the
3 following:

4 "c. "Credit percentage" means the percentage equal
5 to thirty percent minus the rate of tax on any amount
6 of adjusted gross receipts from gambling games over
7 three million dollars as provided in section 99F.11,
8 subsection 2."

9 2. Page 3, line 20, by striking the letter "c",
10 and inserting the following: "d."

11 3. Page 3, line 26, by striking the letter "d",
12 and inserting the following: "e."

13 4. Page 4, line 19, by striking the words "ten
14 percent of", and inserting the following: "an amount
15 from each racetrack enclosure equal to the credit
16 percentage multiplied by the".

17 5. Page 4, line 21, by striking the word "each",
18 and inserting the following: "that".

19 6. Page 5, by inserting after line 4 the
20 following:

21 "c. "Credit percentage" means the percentage equal
 22 to thirty percent minus the rate of tax on any amount
 23 of adjusted gross receipts from gambling games over
 24 three million dollars as provided in subsection 2."

25 7. Page 5, line 5, by striking the letter "c.",

26 and inserting the following: "d."

27 8. Page 5, line 11, by striking the letter "d.",

28 and inserting the following: "e."

29 9. Page 6, line 9, by striking the words "ten
 30 percent of", and inserting the following: "an amount

31 from each racetrack enclosure equal to the credit

32 percentage multiplied by the".

33 10. Page 6, line 11, by striking the words "all

34 racetrack enclosures", and inserting the following:

35 "that racetrack enclosure".

36 11. By renumbering as necessary.

Amendment H-1512 lost.

Hogg of Linn offered the following amendment H-1511 filed by him from the floor and moved its adoption:

H-1511

1 Amend House File 696 as follows:

2 1. Page 6, line 11, by striking the words "all

3 racetrack enclosures" and inserting the following:

4 "each racetrack enclosure".

Amendment H-1511 was adopted.

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

On the question "Shall the bill pass?" (H.F. 696)

The ayes were, 94:

| | | | |
|----------|-----------|----------|------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boggess | Bukta |
| Carroll | Chambers | Cphoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Elgin |
| Foege | Ford | Freeman | Frevort |
| Gaskill | Granzow | Greimann | Greiner |
| Hahn | Hansen | Hanson | Heaton |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Huser | Hutter |
| Jacobs | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |

| | | | |
|------------------|------------------|------------|------------------|
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Osterhaus | Paulsen |
| Petersen | Quirk | Raecker | Rasmussen |
| Rayhons | Reasoner | Roberts | Sands |
| Schickel | Shoultz | Smith | Stevens |
| Struyk | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wildurdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rants | | |

The nays were, 3:

| | | |
|----------|--------|-------|
| Eichhorn | Fallon | Swaim |
|----------|--------|-------|

Absent or not voting, 3:

| | | |
|-----------|------|--------|
| Boddicker | Gipp | Miller |
|-----------|------|--------|

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

IMMEDIATE MESSAGE

Jacobs of Polk asked and received unanimous consent that **House File 696** be immediately messaged to the Senate.

Jacobs of Polk asked and received unanimous consent for the immediate consideration of House File 674, Senate File 442 and House File 669.

House File 674, a bill for an act relating to income tax deductions and exemptions for military service personnel and organizations, and including effective and applicability date provisions, was taken up for consideration.

Tymeson of Madison offered the following amendment H-1324 filed by her and Boddicker of Cedar and moved its adoption:

H-1324

- 1 Amend House File 674 as follows:
- 2 1. Page 1, by inserting after line 22 the
- 3 following:
- 4 "Sec. 101. Section 35.1, subsection 2, paragraph
- 5 b, Code 2003, is amended by adding the following new
- 6 subparagraph:
- 7 **NEW SUBPARAGRAPH.** (5) Former members of the armed
- 8 forces of the United States if any portion of their

9 term of enlistment would have occurred within the time
10 period specified in paragraph "a", subparagraph (9),
11 but who instead opted to serve five years in the
12 reserve forces of the United States, as allowed by
13 federal law, and who were discharged under honorable
14 conditions."

15 2. Page 3, by inserting after line 27 the
16 following:

17 "Sec. ____ STATE FUNDING. The military service
18 tax exemptions and credits provided pursuant to the
19 amendment to section 35.1 of this Act shall be funded
20 pursuant to chapter 426A and section 25B.7, subsection
21 2."

22 3. Page 3, line 29, by inserting after the word
23 "subsections" the following: "1A,".

24 4. Page 3, by inserting after line 32 the
25 following:

26 "1A. Section 101 of this Act amending section
27 35.1, being deemed of immediate importance, takes
28 effect upon enactment."

29 5. By renumbering as necessary.

Amendment H-1324 was adopted.

Whitaker of Van Buren offered the following amendment H-1397
filed by Whitaker, et al., and moved its adoption:

H-1397

1 Amend House File 674 as follows:

2 1. Page 1, by inserting after line 22 the
3 following:

4 "Sec. 51. Section 29A.28, Code 2003, is amended to
5 read as follows:

6 29A.28 LEAVE OF ABSENCE OF CIVIL EMPLOYEES.

7 1. All officers and employees of the state, or a
8 subdivision thereof, or a municipality other than
9 employees employed temporarily for six months or less,
10 who are members of the national guard, organized
11 reserves or any component part of the military, naval,
12 or air forces or nurse corps of this state or nation,
13 or who are or may be otherwise inducted into the
14 military service of this state or of the United
15 States, shall, when ordered by proper authority to
16 state active duty, active state service or federal
17 service, be entitled to a leave of absence from such
18 civil employment for the period of state active duty,
19 active state service, or federal service, without loss
20 of status or efficiency rating, and without loss of
21 pay during the first thirty days of such leave of
22 absence. Where state active duty, active state
23 service, or federal service is for a period less than

24 thirty days, a leave of absence under this section
 25 shall only be required for those days that the civil
 26 employee would normally perform services for the
 27 state, subdivision of the state, or a municipality.
 28 2. The proper appointing authority may make a
 29 temporary appointment to A state agency, subdivision
 30 of the state, or municipality may hire a temporary
 31 employee to fill any vacancy created by such leave of
 32 absence. Temporary employees hired to fill a vacancy
 33 created by a leave of absence under this section shall
 34 not count against the number of full-time equivalent
 35 positions authorized for the state agency, subdivision
 36 of the state, or municipality.
 37 3. Upon returning from a leave of absence under
 38 this section, an employee shall be entitled to return
 39 to the same position and classification held by the
 40 employee at the time of entry onto state active duty,
 41 active state service, or federal service or to the
 42 position and classification that the employee would
 43 have been entitled to if the continuous civil service
 44 of the employee had not been interrupted by state
 45 active duty, active state service, or federal service.
 46 Under this subsection, "position" includes the
 47 geographical location of the position."
 48 2. Page 3, line 29, by inserting after the word
 49 "subsections" the following: "1A,"
 50 3. Page 3, by inserting after line 32 the

Page 2

1 following:
 2 "1A. Section 51 of this Act, being deemed of
 3 immediate importance, takes effect upon enactment and
 4 applies retroactively to January 1, 2003."

Amendment H-1397 was adopted.

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

On the question "Shall the bill pass?" (H.F. 674)

The ayes were, 98:

| | | | |
|----------|-----------|---------|----------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Bogges | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |

| | | | |
|------------------|------------------|------------|------------------|
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | McCarthy | Mertz |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Osterhaus | Paulsen | Petersen |
| Quirk | Raecker | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rants | | |

The nays were, none.

Absent or not voting, 2:

Boddicker Miller

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

IMMEDIATE MESSAGE

Jacobs of Polk asked and received unanimous consent that **House File 674** be immediately messaged to the Senate.

Senate File 442, a bill for an act updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactive applicability dates and an effective date, with report of committee recommending passage, was taken up for consideration.

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

On the question "Shall the bill pass?" (S.F. 442)

The ayes were, 98:

| | | | |
|---------|----------|---------|---------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Bogges | Bukta |
| Carroll | Chambers | Cohon | Connors |

| | | | |
|------------------|------------------|------------|------------------|
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | McCarthy | Mertz |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Osterhaus | Paulsen | Petersen |
| Quirk | Raecker | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rahts | | |

The nays were, none.

Absent or not voting, 2:

Boddicker Miller

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

House File 669, a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision, was taken up for consideration.

Drake of Pottawattamie offered the following amendment H-1484 filed by him and moved its adoption:

H-1484

- 1 Amend House File 669 as follows:
- 2 1. Page 1, line 11, by inserting after the word
- 3 "prairie" the following: "that has been restored or
- 4 reestablished".
- 5 2. Page 2, line 13, by inserting after the word
- 6 "prairie" the following: "that has been restored or
- 7 reestablished".

- 8 3. Page 2, line 31, by inserting after the word
 9 "prairie" the following: "that has been restored or
 10 reestablished and".
 11 4. Page 3, line 10, by striking the words "after
 12 the property" and inserting the following: "in the
 13 case of a wildlife habitat that has been restored or
 14 reestablished.".
 15 5. Page 3, line 24, by inserting after the word
 16 "property" the following: "is a restored or
 17 reestablished wildlife habitat and".

Amendment H-1484 was adopted.

SENATE FILE 444 SUBSTITUTED FOR HOUSE FILE 669

Drake of Pottawattamie asked and received unanimous consent to substitute Senate File 444 for House File 669.

Senate File 444, a bill for an act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision, was taken up for consideration.

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

On the question "Shall the bill pass?" (S.F. 444)

The ayes were, 97:

| | | | |
|------------|-----------|------------|-----------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Bogges | Bukta |
| Carroll | Chambers | Cohon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | McCarthy | Mertz |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Osterhaus | Paulsen | Petersen |

| | | | |
|------------------|------------------|------------|------------------|
| Quirk | Raecker | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Winckler | Wise |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, none.

Absent or not voting, 3:

| | | |
|-----------|--------|------------|
| Boddicker | Miller | Wilderdyke |
|-----------|--------|------------|

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

SENATE AMENDMENT CONSIDERED

Upmeyer of Hancock called up for consideration **House File 675**, a bill for an act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for fees, and providing penalties, amended by the Senate, and moved that the House concur in the following Senate amendment H-1496:

H-1496

- 1 Amend House File 675, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 16, by inserting after line 33, the
- 4 following:
- 5 "4. A continuing care retirement community that is
- 6 in compliance with chapter 523D shall not be held in
- 7 violation of this chapter if the continuing care
- 8 retirement community provides services to its
- 9 independent living residents."
- 10 2. By renumbering as necessary.

The motion prevailed and the House concurred in the Senate amendment H-1496.

Upmeyer of Hancock moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 675)

The ayes were, 98:

| | | | |
|------------------|------------------|------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Bogges | Bukta |
| Carroll | Chambers | Cohoon | Connors |
| Dandekar | Davitt | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | McCarthy | Mertz |
| Murphy | Myers | Oldson | Olson, D. |
| Olson, S. | Osterhaus | Paulsen | Petersen |
| Quirk | Raecker | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rants | | |

The nays were, none.

Absent or not voting, 2:

Boddicker Miller

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

IMMEDIATE MESSAGES

Jacobs of Polk asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House File 675 and Senate Files 442 and 444 .**

REPORT OF THE CHIEF CLERK OF THE HOUSE

MR. SPEAKER: Pursuant to House Rule 42, I report that in enrolling bills the following correction was made:

House File 624

1. Page 7, line 18 – Change spelling of odocioleus to odocoileus.

MARGARET A. THOMSON
Chief Clerk of the House

SENATE FILE 448 REREFERRED

The Speaker announced that Senate File 448, previously referred to committee on **public safety** was rereferred to committee on **ways and means**.

BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 29th day of April, 2003: House Files 171, 404, 516, 529, 619 and 650.

MARGARET A. THOMSON
Chief Clerk of the House

Report adopted.

REPORT OF ADMINISTRATION AND RULES COMMITTEE

MR. SPEAKER: Pursuant to Senate Concurrent Resolution 2, your committee on administration submits the following to be employed in the indicated positions, and at the indicated classification, grades and steps:

| | | | |
|-------------|------------------|-------------|---------------|
| Chief Clerk | Margaret Thomson | \$87,609.00 | Annual Salary |
|-------------|------------------|-------------|---------------|

| <u>Position</u> | <u>Name</u> | <u>Grade and Step</u> | <u>Class of Appoint- ment</u> |
|---|------------------------|-------------------------------|---------------------------------------|
| Assistant Chief Clerk I | Susan K. Jennings | 32-5 | E-FT |
| Senior Caucus Staff Director | Paulee Lipsman | 41-6 | P-FT |
| Sr. Caucus Staff Director | Jeffrey G. Mitchell | 41-5 | P-FT |
| Administrative | Timothy J. Albrecht | 27-1 | P-FT |
| Assistant to Speaker | | | |
| Administrative Assistant II to Speaker | Allison G. Dorr Kleis | 32-3 | P-FT |
| Sr. Administrative | Mark W. Brandsgard | 38-6 | P-FT |
| Assistant to Leader | | | |
| Sr. Administrative | Carolyn McNeill Gaukel | 38-3 | P-PT |
| Assistant to Leader | | | |
| Sr. Administrative | Susan D. Severino | 38-6 | P-FT |
| Assistant to Leader | | | |
| Leg. Research Analyst | Timothy R. Coonan | 27-2 | P-FT |
| Leg. Research Analyst | Mary K. Earnhardt | 27-3 | P-FT |
| Leg. Research Analyst | Stefani K. Millie | 27-3 | P-FT |
| Leg. Research Analyst | Kelly M. Ryan | 27-1 | P-FT |
| Leg. Research Analyst I | Kellie L. Paschke | 29-2 | P-FT |
| Leg. Research Analyst III | Lewis E. Olson | 35-5 | P-FT |
| Leg. Research Analyst III | Bradley A. Trow | 35-1 | P-FT |
| Sr. Leg. Research Analyst | Lon W. Anderson | 38-4 | P-FT |
| Sr. Leg. Research Analyst | Ann M. McCarthy | 38-5 | P-FT |
| Sr. Caucus Secretary | Bruce G. Brandt | 24-6 | P-FT |
| Leg. Research Analyst I | Dwayne Dean Fiihr, Jr. | 29-2 | P-FT |
| Leg. Research Analyst II | Anna M. Hyatt-Crozier | 32-3 | P-FT |
| Sr. Leg. Research Analyst | Mary C. Braun | 38-6 | P-FT |
| Sr. Leg. Research Analyst | Edward J. Conlow | 38-6 | P-FT |
| Sr. Leg. Research Analyst | Jenifer L. Parsons | 38-5 | P-FT |
| Sr. Leg. Research Analyst | Thomas R. Patterson | 38-6 | P-FT |
| Sr. Leg. Research Analyst | Joseph P. Romano | 38-6 | P-FT |
| Sr. Caucus Secretary | David L. Epley | 24-4 | P-FT |
| Secretary to Leader | Sarah A. Bolton | 19-1 | S-O |
| Confidential Secretary to Speaker | Becky L. Lorenz | 27-4 | P-FT |
| Confidential Sec. II to Chief Clerk | Jacquelyn M. Seymour | 32-2 | P-FT |
| Clerk to Chief Clerk | Betty M. Soener | 16-6 | S-O |
| Supervisor of Secretaries | Linda C. Rosky | 24-3 | P-FT |
| Senior Editor | Gayle A. Goble | 30-3 | P-FT |
| Assistant Editor | Vicki L. Jones | 19-2 | P-FT |
| Assistant Editor | A. Nathan Treloar | 19-1 | S-O |
| Text Processor II | C. Elaine Schoonover | 22-6 | P-FT |
| Senior Finance Officer II | Debra K. Rex | 35-6 | P-FT |
| Finance Officer I | Kelly M. Bronsink | 24-6 | P-FT |
| Assistant Legal Counsel | Doreen R. Terrell | 27-4 | P-FT |
| Engrossing & Enrolling Processor | Pauline E. Kephart | 27-6 | S-O |

| <u>Position</u> | <u>Name</u> | <u>Grade And Step</u> | <u>Class of Appointment</u> |
|-----------------------------------|---------------------------|-------------------------------|---------------------------------|
| Assistant to the Legal Counsel | Jessica M. Bash | 19-2 | S-O |
| Indexer II | Kristin L. Wentz | 25-6 | P-FT |
| Indexing Assistant | Barry J. Hartman | 19-1 | P-FT |
| Switchboard Operator | Paul W. Aardsma | 14-1 | S-O |
| Switchboard Operator | Madeline E. James | 14-6 | S-O |
| Legislative Secretary | Kerri E. Abrams | 16-2 | S-O |
| Legislative Secretary | Nancy J. Alexander | 15-1 | S-O |
| Legislative Secretary | Diyonda L. Avant | 16-1 | S-O |
| Legislative Secretary | Alyssa M. Beaman | 15-1 | S-O |
| Legislative Secretary | Bradley P. Bell | 16-1 | S-O |
| Legislative Secretary | Danielle M. Black | 16-1 | S-O |
| Legislative Secretary | Devin L. Boerm | 15-2 | S-O |
| Legislative Secretary | Thomas M. Brand | 15-1 | S-O |
| Legislative Secretary | Susan C. Bruckshaw | 16-6 | S-O |
| Legislative Secretary | Diane K. Burget | 16-3 | S-O |
| Legislative Secretary | Beverly A. Burns | 15-1 | S-O |
| Legislative Secretary | Dawn M. Chamberlain | 15-2 | S-O |
| Legislative Secretary | Diana K. Clay | 17-1 | S-O |
| Legislative Secretary | Marjorie I. Connors | 16-4 | S-O |
| Legislative Secretary | Phyllis R. Cowles | 16-6+2 | S-O |
| Legislative Secretary | Shirley M. Danskin- White | 16-6+2 | S-O |
| Legislative Secretary | Mary K. Davis | 16-2 | S-O |
| Legislative Secretary | B. LaVada Dennis | 17-1 | S-O |
| Legislative Secretary | Mary J. Donahue | 15-1 | S-O |
| Legislative Secretary | Kathy Eaton | 16-2 | S-O |
| Legislative Secretary | Judith K. Elliott | 15-3 | S-O |
| Legislative Secretary | Catherine J. Evans | 16-1 | S-O |
| Legislative Secretary | Martha L. Fullerton | 15-2 | S-O |
| Legislative Secretary | Clare Gannon | 17-1 | S-O |
| Legislative Secretary | Camille B. Gjovig | 16-2 | S-O |
| Legislative Secretary | Donna W. Greenwood | 16-6 | S-O |
| Legislative Secretary | Autumn L. Griffieon | 16-1 | S-O |
| Legislative Secretary | B. Wade Haldeman | 16-1 | S-O |
| Legislative Secretary | J. Michael Halloran | 16-1 | S-O |
| Legislative Secretary | RaMona M. Hanson | 16-1 | S-O |
| Legislative Secretary | Vikki R. Hanson | 15-2 | S-O |
| Legislative Secretary | Janet L. Haselhoff | 15-1 | S-O |
| Legislative Secretary | David Inbody | 15-1 | S-O |
| Legislative Secretary | H. Kay Jenkins | 16-3 | S-O |
| Legislative Secretary | Janet M. Jones | 16-2 | S-O |
| Legislative Secretary | Cassie J. Kerner | 15-1 | S-O |
| Legislative Secretary | Traci H. Klein | 15-1 | S-O |
| Legislative Secretary | Karen F. Klemme | 18-4 | S-O |
| Legislative Secretary | Erin T. Kreiman | 16-1 | S-O |
| Legislative Secretary | Anthony J. Kruse | 16-1 | S-O |
| Legislative Secretary | Debrah L. Lalk | 16-1 | S-O |
| Legislative Secretary | Jamie R. Layland | 16-1 | S-O |
| Legislative Secretary | Karen A. Lischer | 16-1 | S-O |

| <u>Position</u> | <u>Name</u> | <u>Grade And Step</u> | <u>Class of Appoint- ment</u> |
|--------------------------|------------------------|-------------------------------|---------------------------------------|
| Legislative Secretary | Linda L. McCarthy | 16-1 | S-O |
| Legislative Secretary | Jennifer A. McCarville | 16-1 | S-O |
| Legislative Secretary | Kyle S. McCullough | 16-2 | S-O |
| Legislative Secretary | Maureen E. Meyer | 15-1 | S-O |
| Legislative Secretary | Twyla L. Miller | 17-6+2 | S-O |
| Legislative Secretary | Diane E. Nandell | 17-3 | S-O |
| Legislative Secretary | Jean W. Nelson | 15-5 | S-O |
| Legislative Secretary | Josh J. Nichols | 16-1 | S-O |
| Legislative Secretary | Lacee R. Oliver | 16-2 | S-O |
| Legislative Secretary | Ann D. Osterhaus | 16-3 | S-O |
| Legislative Secretary | Janet R. Ramsay | 18-3 | S-O |
| Legislative Secretary | Sheila M. Rasmussen | 16-1 | S-O |
| Legislative Secretary | Benjamin J. Roed | 16-1 | S-O |
| Legislative Secretary | Mary M. Sanders | 16-3 | S-O |
| Legislative Secretary | Robert P. Santi | 16-1 | S-O |
| Legislative Secretary | Todd W. Schmidt | 16-1 | S-O |
| Legislative Secretary | Dianne G. Shoultz | 16-2 | S-O |
| Legislative Secretary | Damien C. Specht | 15-1 | S-O |
| Legislative Secretary | Jean Tannatt | 16-4 | S-O |
| Legislative Secretary | Rosemary G. Thomas | 16-1 | S-O |
| Legislative Secretary | Courtney C. Thompson | 17-1 | S-O |
| Legislative Secretary | Amber K. Tischer | 17-2 | S-O |
| Legislative Secretary | Eileen M. Tyler | 18-6 | S-O |
| Legislative Secretary | Blake A. Upmeyer | 16-1 | S-O |
| Legislative Secretary | Jessica J. Van Fossen | 16-1 | S-O |
| Legislative Secretary | Darlene A. VanOort | 18-3 | S-O |
| Legislative Secretary | Priscilla A. Verdoorn | 16-1 | S-O |
| Legislative Secretary | John A. Warner | 15-1 | S-O |
| Legislative Secretary | Anita R. Wendt | 15-1 | S-O |
| Legislative Secretary | Mark A. Yegge | 15-1 | S-O |
| Leg. Committee Secretary | Clarice E. Alons | 17-2 | S-O |
| Leg. Committee Secretary | Nicholas M. Barrett | 17-1 | S-O |
| Leg. Committee Secretary | Jill J. Beni | 17-3 | S-O |
| Leg. Committee Secretary | Susan M. Betsinger | 17-3 | S-O |
| Leg. Committee Secretary | Opal M. Bigham | 17-2 | S-O |
| Leg. Committee Secretary | Lindsey M. Boo | 17-1 | S-O |
| Leg. Committee Secretary | Jacob I. Bossman | 17-1 | S-O |
| Leg. Committee Secretary | Megan E. Bradfield | 17-1 | S-O |
| Leg. Committee Secretary | Mary Beth Danzer | 17-3 | S-O |
| Leg. Committee Secretary | Dawn R. Dillman | 18-2 | S-O |
| Leg. Committee Secretary | Shirley J. Drake | 17-4 | S-O |
| Leg. Committee Secretary | Kelley A. Fifer | 17-2 | S-O |
| Leg. Committee Secretary | Brooke A. Findley | 17-2 | S-O |
| Leg. Committee Secretary | Carol F. Hansen | 17-4 | S-O |
| Leg. Committee Secretary | Lynn M. Hoffman | 17-3 | S-O |
| Leg. Committee Secretary | Marlene J. Martens | 17-4 | S-O |
| Leg. Committee Secretary | Melba K. Murken | 17-3 | S-O |
| Leg. Committee Secretary | Martha S. Raecker | 18-2 | S-O |

| <u>Position</u> | <u>Name</u> | <u>Grade And Step</u> | <u>Class of Appoint- ment</u> |
|-----------------------------|------------------------|-------------------------------|---------------------------------------|
| Leg. Committee Secretary | Brandon J. Renz | 17-2 | S-O |
| Leg. Committee Secretary | Vinita J. Smith | 17-4 | S-O |
| Leg. Committee Secretary | Betty J. Sorenson | 17-4 | S-O |
| Leg. Committee Secretary | Mary Lee A. Stephens | 17-2 | S-O |
| Leg. Committee Secretary | Barbara B. Wennerstrum | 17-6+2 | S-O |
| Leg. Committee Secretary | Kara L. Wilber | 17-2 | S-O |
| Bill Clerk | Mildred E. Stewart | 14-6 | S-O |
| Assistant Bill Clerk | Marie A. Kirby | 12-5 | S-O |
| Postmaster | William C. Walling | 12-5 | S-O |
| Sergeant-at-Arms | Wilbur N. Rhoads | 17-2 | S-O |
| Assistant Sergeant- at-Arms | Maynard L. Boatwright | 14-4 | S-O |
| Assistant Sergeant -at-Arms | Gerald V. Orman | 14-2 | S-O |
| Doorkeeper | Herbert J. Beyer | 11-3 | S-O |
| Doorkeeper | Charles L. Fogelson | 11-2 | S-O |
| Doorkeeper | Gary D. Lynch | 11-2 | S-O |
| Doorkeeper | Howard H. Scott, Sr. | 11-2 | S-O |
| Doorkeeper | Robert B. Yeager | 11-2 | S-O |

PAGES-GROUP I

| <u>Position</u> | <u>Name</u> | <u>Per Hr.</u> | <u>Class of Appoint- ment</u> |
|--------------------|-----------------------|----------------|---------------------------------------|
| Speaker's Page | Cynthia L. McAfee | 9-1 | S-O |
| Chief Clerk's Page | Megan E. Cross | 9-1 | S-O |
| Chief Clerk's Page | Nicholas A. Sievert | 9-1 | S-O |
| Page | Dean E. Calkins Jr | 9-1 | S-O |
| Page | Justin W. Ehrecke | 9-1 | S-O |
| Page | Adam A. Frei | 9-1 | S-O |
| Page | Corey J. Goerdt | 9-1 | S-O |
| Page | Tyler R. Goings | 9-1 | S-O |
| Page | Klaire R. O'Rourke | 9-1 | S-O |
| Page | Megan J. Page | 9-1 | S-O |
| Page | Benjamin J. Paladino | 9-1 | S-O |
| Page | Elizabeth J. Phillips | 9-1 | S-O |
| Page | John Pilkington | 9-1 | S-O |
| Page | Jessica L. Rundlett | 9-1 | S-O |
| Page | Sarah A. Skoog | 9-1 | S-O |
| Page | Noah J. Udelhoven | 9-1 | S-O |
| Page | Rachel M. Van Fossen | 9-1 | S-O |
| Page | Kelsey L. Veach | 9-1 | S-O |
| Page | Megan M. Warner | 9-1 | S-O |

PAGES-GROUP II

| | | | |
|------|------------------|-----|-----|
| Page | Taryn F. Dozark | 9-1 | S-O |
| Page | Amelia C. Gauger | 9-1 | S-O |

| | | | |
|------|----------------------|-----|-----|
| Page | Brent M. Geels | 9-1 | S-O |
| Page | Laura B. Harson | 9-1 | S-O |
| Page | Megan A. Horan | 9-1 | S-O |
| Page | April L. Myers | 9-1 | S-O |
| Page | Natalie M. Owens | 9-1 | S-O |
| Page | Kathleen M. Schaben | 9-1 | S-O |
| Page | Timothy D. Schutte | 9-1 | S-O |
| Page | Elizabeth C. Skilton | 9-1 | S-O |
| Page | Sadie L. Stellish | 9-1 | S-O |
| Page | Wade J. Summers | 9-1 | S-O |

EXPLANATIONS OF VOTE

I was necessarily absent from the House chamber on April 28, 2003, Had I been present I would have voted "aye" on House File 688 and Senate File 341 and "nay" on Senate File 344.

KUHN of Floyd

I was necessarily absent from the House chamber on April 25, 2003. Had I been present, I would have voted "aye" on amendments H-1481 and H-1482 to Senate File 453 and "nay" on Senate File 453.

T. TAYLOR of Linn

CERTIFICATES OF RECOGNITION

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

MARGARET A. THOMSON
Chief Clerk of the House

- 2003\1332 Rosie Eddy, Greenfield – For celebrating her 85th birthday.
- 2003\1333 Mr. and Mrs. Loren Draman, Casey – For celebrating their 50th wedding anniversary.
- 2003\1334 Tony Mensing, Greenfield – For being awarded the Iowa Star Agribusiness award.
- 2003\1335 Margaret Baker, Cedar Falls – For celebrating her 100th birthday.
- 2003\1336 Chuck and Norma Kofmel, Holstein – For celebrating their 50th wedding anniversary.
- 2003\1337 Ina Phoebe Smith, Mapleton – For celebrating her 90th birthday.

- 2003\1338 John Lueders, Ankeny – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1339 Mr. and Mrs. Albert C. Hasso, Oskaloosa – For celebrating their 55th wedding anniversary.
- 2003\1340 Odessa Douglass – Grinnell – For celebrating her 90th birthday.
- 2003\1341 Adrian McKeag, Montezuma – For celebrating his 85th birthday.
- 2003\1342 Dorothy Johnson, Grinnell – For celebrating her 80th birthday.
- 2003\1343 Nelson and Beverly Fortney, Oskaloosa – For celebrating their 50th wedding anniversary.
- 2003\1344 Mervin and Lorena Fink, Denison – For celebrating their 50th wedding anniversary.
- 2003\1345 Opal Henney, Denison – For celebrating her 85th birthday.
- 2003\1346 Gladys Hurd, Cedar Falls – For celebrating her 85th birthday.
- 2003\1347 David and Thelma Morse, Cedar Falls – For celebrating their 60th wedding anniversary.
- 2003\1348 Lester and Patricia Cherry, Winthrop – For celebrating their 50th wedding anniversary.
- 2003\1349 Ervin Schneider, Fairbank – For celebrating his 85th birthday.
- 2003\1350 Marian Schweitzer, Winthrop – For celebrating her 90th birthday.
- 2003\1351 Mr. and Mrs. Lawrence Martens, Davenport – For celebrating their 60th wedding anniversary.
- 2003\1352 Ruth Zach, Hamburg – For celebrating her 96th birthday.
- 2003\1353 Dennis Ward, Tabor – For celebrating his 105th birthday.
- 2003\1354 Marie Mager, Waterloo – For celebrating her 80th birthday.
- 2003\1355 Adam Shirley, Waterloo – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1356 Lyle and Darlene Grapp, Waterloo – For celebrating their 50th wedding anniversary.
- 2003\1357 Don and Carole Mountain, Waterloo – For celebrating their 50th wedding anniversary.
- 2003\1358 Betty Weber, Waterloo – For celebrating her 80th birthday.

HOUSE STUDY BILL COMMITTEE ASSIGNMENTS

H.S.B. 318 Ways and Means

Proposing an amendment to the Constitution of the State of Iowa relating to certain state tax rate changes.

H.S.B. 319 Ways and Means

Relating to the individual income tax by reducing the tax rates and number of tax brackets and including a contingent effective and applicability date provision.

COMMITTEE RECOMMENDATIONS

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the following committee recommendation has been received and is on file in the office of the Chief Clerk.

MARGARET A. THOMSON
Chief Clerk of the House

COMMITTEE ON WAYS AND MEANS

Committee Bill (Formerly House Study Bill 317), relating to the administration of the tax and related laws by the department of revenue and finance, including administration of state individual income, sales, property, motor fuel, special fuel, cigarette, tobacco, inheritance taxes, and local hotel and motel taxes, and the premiums tax on mutual insurance associations, and including effective and retroactive applicability date provisions.

Fiscal Note is not required.

Recommended Amend and Do Pass April 28, 2003.

RESOLUTIONS FILED

HCR 21, by Huser, Lukan, Horbach, Bell and Thomas, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

Laid over under **Rule 25**.

HR 60, by Granzow, a resolution honoring the city of Eldora on its sesquicentennial anniversary year.

Laid over under **Rule 25**.

AMENDMENTS FILED

| | | | |
|--------|------|-----|-----------------------|
| H—1498 | S.F. | 384 | Hogg of Linn |
| H—1503 | S.F. | 384 | Frevert of Palo Alto |
| H—1504 | S.F. | 384 | Kramer of Polk |
| H—1506 | S.F. | 452 | Huseman of Cherokee |
| | | | Cohoon of Des Moines |
| H—1507 | S.F. | 452 | Huseman of Cherokee |
| | | | Cohoon of Des Moines |
| | | | Boal of Polk |
| | | | Tymeson of Madison |
| | | | Davitt of Warren |
| | | | Huser of Polk |
| H—1510 | S.F. | 452 | Huseman of Cherokee |
| H—1516 | H.F. | 683 | Shoultz of Black Hawk |
| H—1517 | H.F. | 683 | Jenkins of Black Hawk |
| H—1518 | H.F. | 683 | Hoffman of Crawford |
| | | | Jenkins of Black Hawk |
| | | | Jacobs of Polk |
| | | | S. Olson of Clinton |
| | | | Petersen of Polk |
| | | | Dandekar of Linn |
| | | | Kuhn of Floyd |
| | | | Thomas of Clayton |

On motion by Jacobs of Polk the House adjourned at 7:20 p.m., until 8:45 a.m., Wednesday, April 30, 2003.

JOURNAL OF THE HOUSE

• One Hundred Eighth Calendar Day - Seventy-seventh Session Day

Hall of the House of Representatives
Des Moines, Iowa, Wednesday, April 30, 2003

The House met pursuant to adjournment at 8:43 a.m., Speaker Rants in the chair.

Prayer was offered by the Honorable Reverend Rod Roberts, state representative from Carroll County.

The Journal of Tuesday, April 29, 2003 was approved.

"America" was sung by House Page Rachel Van Fossen, daughter of the Honorable Jamie Van Fossen, state representative of Scott County and granddaughter of the Honorable Jim Van Fossen, state representative of Scott County.

INTRODUCTION OF BILLS

House File 699, by committee on appropriations, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date.

Read first time and placed on the **appropriations calendar**.

House File 700, by committee on appropriations, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates.

Read first time and placed on the **appropriations calendar**.

ADOPTION OF HOUSE RESOLUTION 60

Granzow of Hardin called up for consideration **House Resolution 60**, a resolution honoring the city of Eldora on its sesquicentennial anniversary year, and moved its adoption.

The motion prevailed and the resolution was adopted.

The House stood at ease at 8:52 a.m., until the fall of the gavel.

The House resumed session at 11:03 a.m., Speaker Rants in the chair.

Gipp of Winneshiek asked and received unanimous consent for the immediate consideration of House File 695.

CONSIDERATION OF BILLS Appropriations Calendar

House File 695, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees, was taken up for consideration.

SENATE FILE 452 SUBSTITUTED FOR HOUSE FILE 695

Huseman of Cherokee asked and received unanimous consent to substitute Senate File 452 for House File 695.

Senate File 452, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees, was taken up for consideration.

Huseman of Cherokee offered the following amendment H-1510 filed by him and moved its adoption:

H-1510

1 Amend Senate File 452, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, by striking lines 9 and 10 and
4 inserting the following:

5 "1. For correction of deferred maintenance at the
6 Iowa school for the deaf, notwithstanding section
7 8.57, subsection 5, paragraph "c"."

8 2. Page 1, by striking lines 12 through 14 and
9 inserting the following:

- 10 "2. For correction of deferred maintenance at the
 11 Iowa braille and sight saving school, notwithstanding
 12 section 8.57, subsection 5, paragraph "c":"

Amendment H-1510 was adopted.

Huseman of Cherokee asked and received unanimous consent to withdraw amendment H-1507 filed by Huseman of Cherokee, et al., on April 29, 2003.

Jochum of Dubuque offered the following amendment H-1520 filed by her from the floor and moved its adoption:

H-1520

- 1 Amend Senate File 452, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 6, by inserting after line 7 the
 4 following:
 5 "STATE COMMISSIONER OF ELECTIONS
 6 Sec. ____ There is appropriated from the rebuild
 7 Iowa infrastructure fund to the state commissioner of
 8 elections for the fiscal year beginning July 1, 2003,
 9 and ending June 30, 2004, the following amount, or so
 10 much thereof as is necessary, to be used for the
 11 purpose designated:
 12 For the purchase and installation of voting
 13 machines, notwithstanding section 8.57, subsection 5,
 14 paragraph "c":
 15 \$ 1,263,000
 16 The state commissioner of elections shall report to
 17 the general assembly regarding the expenditure of the
 18 moneys appropriated in this section by January 2,
 19 2004, and July 1, 2004."
 20 2. By renumbering as necessary.

Roll call was requested by Myers of Johnson and Mascher of Johnson.

On the question "Shall amendment H-1535 be adopted?" (S.F. 452)

The ayes were, 44:

| | | | |
|----------|---------|---------|----------|
| Bell | Berry | Cohoon | Connors |
| Dandekar | Davitt | Fallon | Foege |
| Ford | Frevert | Gaskill | Greimann |
| Heddens | Hogg | Hunter | Huser |
| Jochum | Kuhn | Lensing | Lykam |

| | | | |
|------------|------------|----------|-----------|
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Osterhaus | Petersen | Quirk | Reasoner |
| Shoultz | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Wendt |
| Whitaker | Whitead | Winckler | Wise |

The nays were, 53:

| | | | |
|------------------|------------------|------------------|-----------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Bogges | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Horbach | Huseman | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lalk | Lukan | Maddox |
| Manternach | Olson, S. | Paulsen | Raecker |
| Rasmussen | Rayhons | Roberts | Sands |
| Schickel | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Mr. Speaker | | | |
| Rants | | | |

Absent or not voting, 3:

| | | |
|-------|-------|------------|
| Bukta | Smith | Wildurdyke |
|-------|-------|------------|

Amendment H-1520 lost.

SPECIAL PRESENTATION

Hahn of Muscatine introduced to the House the Honorable Bob Johnson, former state representative from Muscatine County.

The House rose and expressed its welcome.

D. Olson of Boone offered the amendment H-1535 filed by D. Olson, T. Taylor of Linn and Thomas of Clayton from the floor, division was requested as follows:

H-1535

- 1 Amend Senate File 452, as amended, passed, and
- 2 reprinted by the Senate, as follows:

H-1535A

- 3 1. Page 6, line 15, by inserting before the word
 4 "For" the following: "1."
 5 2. Page 6, by inserting after line 20 the
 6 following:
 7 "3. For the rail assistance program and to provide
 8 economic development project funding, notwithstanding
 9 section 8.57, subsection 5, paragraph "c":
 10 \$ 100,000"

H-1535B

- 11 3. Page 20, by inserting after line 9 the
 12 following:
 13 "DIVISION ____
 14 CLOSE CLEARANCE NEAR RAILROADS
 15 Sec. ____ CLOSE-CLEARANCE CONDITIONS NEAR RAILROAD
 16 TRACKS – RULES. The state department of
 17 transportation shall adopt rules regulating close-
 18 clearance conditions on or near railroad tracks. The
 19 rules shall include requirements and standards for the
 20 installation of close-clearance warning devices."
 21 4. Title page, line 4, by inserting after the
 22 word "structure," the following: "and close clearance
 23 near railroads".
 24 5. By renumbering as necessary.

D. Olson of Boone moved the adoption of amendment H-1535A.

Amendment H-1535A lost.

Huseman of Cherokee offered the following amendment H-1506 filed by him and Cohoon of Des Moines and moved its adoption:

H-1506

- 1 Amend Senate File 452, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 15, line 31, by striking the figure
 4 "1,000,000" and inserting the following: "2,000,000".

Amendment H-1506 was adopted.

Huseman of Cherokee offered the following amendment H-1519 filed by him and Cohoon of Des Moines from the floor and moved its adoption:

H-1519

- 1 Amend Senate File 452, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 16, by inserting after line 8 the
4 following:
5 "____. STATE BOARD OF REGENTS
6 For non-fire-related restoration of the Old Capitol
7 on the University of Iowa campus in Iowa City,
8 including but not limited to capital and other
9 improvements related to exterior metal roofing,
10 masonry repointing, and window replacement; electrical
11 upgrades; asbestos abatement; elevator improvements;
12 interior painting and lighting and exhibit displays;
13 and site walkway and landscaping improvements:
14 \$ 2,500,000"
15 2. By renumbering as necessary.

Amendment H-1519 was adopted.

Dix of Butler offered the following amendment H-1540 filed by him and Murphy of Dubuque from the floor and moved its adoption:

H-1540

- 1 Amend Senate File 452, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 18, by inserting after line 30 the
4 following:
5 "DIVISION ____
6 CASH RESERVE FUND
7 Sec. ____ If House File 696 is enacted during the 2003
8 Regular Session of the Eightieth General Assembly, any additional
9 revenues from the state taxation of the adjusted gross revenues
10 from gambling games at racetrack enclosures which result from the
11 enactment of House File 696 and which are deposited into the
12 rebuild Iowa infrastructure fund shall be transferred to the cash
13 reserve fund in an amount not to exceed \$16,555,000."
14 2. Page 20, by inserting after line 9 the following:
15 "DIVISION ____
16 CONTINGENT APPROPRIATIONS
17 Sec. ____ The appropriations made from the rebuild
18 Iowa infrastructure fund in division I of this Act and
19 from the environment first fund in division II of this
20 Act are contingent upon the occurrence of one or both
21 of the following:
22 1. The enactment of House File 696 during the 2003
23 Regular Session of the Eightieth General Assembly.
24 2. A final decision by the United States Supreme
25 Court in the litigation entitled Racing Association of
26 Central Iowa v. Fitzgerald, 648 N.W.2d 555 (Iowa 2002)

- 27 in favor of the state's taxation pursuant to section
 28 99F.11, Code 2003, of the adjusted gross revenues from
 29 gambling games at racetrack enclosures."
 30 3. By renumbering as necessary.

Amendment H-1540 was adopted.

Murphy of Dubuque offered the following amendment H-1521 filed by him from the floor and moved its adoption:

H-1521

- 1 Amend Senate File 452, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 19, line 22, by striking the word "shall"
 4 and inserting the following: "may".

Amendment H-1521 lost.

T. Taylor of Linn moved the adoption of amendment H-1535B.

Amendment H-1535B lost.

Huseman of Cherokee offered the following amendment H-1541 filed by Huseman, Cohoon of Des Moines, Boal of Polk, Tymeson of Madison, Davitt of Warren, Huser of Polk and Dennis of Black Hawk, from the floor and moved its adoption:

H-1541

- 1 Amend Senate File 452, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 5, by inserting after line 15 the
 4 following:
 5 "NATIONAL PROGRAM FOR PLAYGROUND SAFETY
 6 Sec. ____ There is appropriated from the rebuild
 7 Iowa infrastructure fund to the national program for
 8 playground safety at the university of northern Iowa
 9 for the fiscal year beginning July 1, 2003, and ending
 10 June 30, 2004, the following amount, or so much
 11 thereof as is necessary, to be used for the purpose
 12 designated:
 13 For the Iowa safe surfacing initiative,
 14 notwithstanding section 8.57, subsection 5, paragraph
 15 "c":
 16 \$ 500,000
 17 No more than 2.5 percent of the funds appropriated
 18 in this section shall be used by the national program

- 19 for playground safety for administrative costs
20 associated with the Iowa safe surfacing initiative.
21 The crumb rubber playground tiles for the
22 initiative shall be international play equipment
23 manufacturers association (IPEMA)-certified to the
24 American society for testing and materials (ASTM)
25 F1292 standard."
26 2. By renumbering, redesignating, and correcting
27 internal references as necessary.

Amendment H-1541 was adopted.

Huser of Polk offered the following amendment H-1542 filed by Huser, Lukan of Dubuque, Horbach of Tama, Manternach of Jones, Tymeson of Madison, Heaton of Henry, Boal of Polk, Davitt of Warren, Bell of Jasper, Osterhaus of Jackson, Upmeyer of Hancock, Huseman of Cherokee, Cohoon of Des Moines, Freeman of Buena Vista, Struyk of Pottawattamie, Chambers of O'Brien and Thomas of Clayton from the floor and moved its adoption:

H-1542

- 1 Amend Senate File 452, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 6, by inserting after line 7 the
4 following:
5 "___ To the division of fire safety of the
6 department for allocation to the fire service training
7 bureau to establish a revolving loan program for
8 equipment purchases by local fire departments,
9 notwithstanding section 8.57, subsection 5, paragraph
10 "c":
11 \$ 500,000"
12 2. By renumbering as necessary.

Amendment H-1542 was adopted.

Foege of Linn offered the following amendment H-1547 filed by him from the floor and moved its adoption:

H-1547

- 1 Amend Senate File 452, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 20, by inserting after line 9 the
4 following:
5 "DIVISION ___
6 SAFE CHEMICALS IN SCHOOLS PROGRAM TASK FORCE

7 Sec.____. SAFE CHEMICALS IN SCHOOLS PROGRAM TASK
8 FORCE.

9 1. The department of education is directed to
10 establish a safe chemicals in schools program task
11 force. The task force is directed to develop a
12 program to provide for training in safe chemical
13 management for school district personnel for on-site
14 identification and management of radioactive materials
15 and potential explosives in school districts.

16 2. The task force shall consist of the director of
17 public health or the director's designee, the director
18 of the department of natural resources or the
19 director's designee, the state fire marshal or the
20 state fire marshal's designee, and the director of the
21 department of education or the director's designee.
22 The task force shall also include four members of the
23 general assembly with not more than one member from
24 each chamber being from the same political party. The
25 two senators shall be designated by the president of
26 the senate after consultation with the majority and
27 minority leaders of the senate. The two
28 representatives shall be designated by the speaker of
29 the house of representatives after consultation with
30 the majority and minority leaders of the house of
31 representatives. Legislative members shall serve in
32 an ex officio, nonvoting capacity. The task force
33 shall be responsible for designating an agency or
34 management firm charged with the responsibility of
35 administering the program.

36 3. The task force shall submit a report on the
37 status of the development of the program to the
38 general assembly by January 1, 2004. The task force
39 should have completed its work by January 1, 2005, at
40 which time a final report will be submitted to the
41 general assembly."

42 2. Title page, line 4, by inserting after the
43 word "structure" the following: "and providing for a
44 task force".

45 3. By renumbering as necessary.

Amendment H-1547 lost.

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Bukta of Clinton for the remainder of the week, on request of Myers of Johnson.

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

On the question "Shall the bill pass?" (S.F. 452)

The ayes were, 98:

| | | | |
|------------------|------------------|------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Bogges |
| Bukta | Carroll | Chambers | Cohoon |
| Connors | Dandekar | Davitt | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Fallon | Foege |
| Ford | Freeman | Frevert | Gaskill |
| Gipp | Granzow | Greimann | Greiner |
| Hahn | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jochum | Jones | Klemme |
| Kramer | Kuhn | Kurtenbach | Lalk |
| Lensing | Lukan | Lykam | Maddox |
| Manternach | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Osterhaus | Paulsen |
| Petersen | Quirk | Raecker | Rasmussen |
| Rayhons | Reasoner | Roberts | Sands |
| Schickel | Shoultz | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Mr. Speaker | | |
| | Rants | | |

The nays were, none.

Absent or not voting, 2:

Hansen Smith

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

HOUSE FILE 695 WITHDRAWN

Huseman of Cherokee asked and received unanimous consent to withdraw House File 695 from further consideration by the House.

INTRODUCTION OF BILLS

House Joint Resolution 12, by committee on ways and means, a joint resolution proposing an amendment to the Constitution of the State of Iowa relating to certain state tax rate changes.

Read first time and placed on the **ways and means calendar**.

House File 701, by committee on ways and means, a bill for an act relating to the individual income tax by reducing the tax rates and number of tax brackets and including a contingent effective and applicability date provision.

Read first time and placed on the **ways and means calendar**.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 452** be immediately messaged to the Senate.

On motion by Gipp of Winneshiek, the House was recessed at 12:09 p.m., until 12:30 p.m.

AFTERNOON SESSION

The House reconvened at 12:52 p.m., Speaker Rants in the chair.

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed fifty-seven members present, forty-three absent.

CONSIDERATION OF BILLS

Regular Calendar

House Joint Resolution 11, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date, was taken up for consideration.

SENATE JOINT RESOLUTION 5 SUBSTITUTED FOR HOUSE JOINT RESOLUTION 11

Greiner of Washington asked and received unanimous consent to substitute Senate Joint Resolution 5 for House Joint Resolution 11.

Senate Joint Resolution 5, a joint resolution nullifying amendments to administrative rules of the environmental protection commission of the department of natural resources relating to ammonia and hydrogen sulfide ambient air regulations and providing an effective date, was taken up for consideration.

Speaker pro tempore Carroll in the chair at 1:23 p.m.

Greiner of Washington moved that the joint resolution be read a last time now and placed upon its adoption which motion prevailed and the joint resolution was read a last time.

On the question "Shall the joint resolution be adopted and agreed to?" (S.J.R. 5)

The yeas were, 68:

| | | | |
|------------------|------------------|------------------|-----------------------|
| Alons | Arnold | Baudler | Bell |
| Boal | Boddicker | Bogges | Chambers |
| Cphoon | Dandekar | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Ford | Freeman | Gipp |
| Granzow | Greiner | Hahn | Hansen |
| Hanson | Heaton | Hoffman | Horbach |
| Huseman | Huser | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lalk | Lukan | Lykam |
| Maddox | Manternach | Mertz | Miller |
| Olson, S. | Paulsen | Quirk | Raecker |
| Rants, Spkr. | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Struyk |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Whitead | Wilderdyke | Wise | Carroll, Presiding |

The nays were, 30:

| | | | |
|-------|---------|---------|----------|
| Berry | Connors | Davitt | Fallon |
| Foege | Frevort | Gaskill | Greimann |

| | | | |
|-----------|----------|------------|------------|
| Heddens | Hogg | Hunter | Jochum |
| Kuhn | Lensing | Mascher | McCarthy |
| Murphy | Myers | Oldson | Olson, D. |
| Osterhaus | Petersen | Shoultz | Smith |
| Stevens | Swaim | Taylor, D. | Taylor, T. |
| Whitaker | Winckler | | |

Absent or not voting, 2:

Bukta Wendt

The joint resolution having received a constitutional majority was declared to have been adopted and the title was agreed to by the House.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate Joint Resolution 5** be immediately messaged to the Senate.

Gipp of Winneshiek asked and received unanimous consent for the immediate consideration of House File 697.

Ways and Means Calendar

House File 697, a bill for an act relating to the administration of the tax and related laws by the department of revenue and finance, including administration of state individual income, sales, property, motor fuel, special fuel, cigarette, tobacco, inheritance taxes, and local hotel and motel taxes, and the premiums tax on mutual insurance associations, and including effective and retroactive applicability date provisions, was taken up for consideration.

Foege of Linn offered amendment H-1564 filed by him from the floor as follows:

H-1564

- 1 Amend House File 697 as follows:
- 2 1. Page 12, by inserting after line 20 the
- 3 following:
- 4 "Sec. __. **NEW SECTION.** 453A.38A TOBACCO PRODUCT
- 5 AND CIGARETTE SAMPLES - RESTRICTIONS -
- 6 ADMINISTRATION.
- 7 1. A manufacturer, distributor, wholesaler,
- 8 retailer, or distributing agent or agent thereof shall

- 9 not give away cigarettes or tobacco products at any
 10 time in connection with the manufacturer's,
 11 distributor's, wholesaler's, retailer's, or
 12 distributing agent's business or for promotion of the
 13 business or cigarettes or tobacco products, except as
 14 provided in subsection 2.
 15 2. All cigarette or little cigar samples shall be
 16 shipped to a distributor that has a permit to stamp
 17 cigarettes or little cigars with Iowa tax. The
 18 manufacturer shipping samples regulated under this
 19 section shall send an affidavit to the director
 20 stating the quantity and to whom the samples were
 21 shipped. The distributor receiving the shipment shall
 22 send an affidavit to the director stating the quantity
 23 and from whom the samples were shipped. These
 24 affidavits shall be duly notarized and submitted to
 25 the director at time of shipment and receipt of the
 26 samples. The distributor shall pay the tax on samples
 27 by separate remittance along with the affidavit."
 28 2. By renumbering as necessary.

Boal of Polk rose on a point of order that amendment H-1564 was not germane.

The Speaker ruled the point not well taken and amendment H-1564 germane.

On motion by Foege of Linn, amendment H-1564 lost.

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

On the question "Shall the bill pass?" (H.F. 697)

The ayes were, 97:

| | | | |
|-----------|---------|-----------|----------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Bogges |
| Chambers | Cohon | Connors | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Eichhorn | Elgin |
| Foege | Ford | Freeman | Frevert |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jones |

| | | | |
|-----------------------|------------|------------------|------------------|
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Miller | Murphy | Myers |
| Oldson | Olson, D. | Olson, S. | Osterhaus |
| Paulsen | Petersen | Quirk | Raecker |
| Rants, Spkr. | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wendt | Whitaker |
| Whitead | Wilderdyke | Winckler | Wise |
| Carroll, Presiding | | | |

The nays were, 1:

Fallon

Absent or not voting, 2:

Bukta

Jochum

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 697** be immediately messaged to the Senate.

The House stood at ease at 3:49 p.m., until the fall of the gavel.

The House resumed session at 5:18 p.m., Speaker Rants in the chair.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 30, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 543, a bill for an act relating to the provision of certain information for insureds regarding external review of health care coverage decisions.

Also: That the Senate has on April 30, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 665, a bill for an act relating to property taxation of certain lands leased to others by the department of corrections or department of human services and providing for the Act's applicability.

Also: That the Senate has on April 30, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 677, a bill for an act relating to new capital investment for businesses and new jobs by creating a new capital investment program, creating tax incentives, and amending the new jobs and income program.

Also: That the Senate has on April 30, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 679, a bill for an act relating to economic development by modifying the new jobs and income program and the enterprise zone program and providing a tax credit, and providing effective and retroactive applicability dates.

Also: That the Senate has on April 30, 2003, refused to concur in the House amendment to the Senate amendment to the following bill in which the concurrence of the Senate was asked:

House File 685, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund.

Also: That the Senate has on April 30, 2003, passed the following bill in which the concurrence of the House is asked:

Senate File 459, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date.

MICHAEL E. MARSHALL, Secretary

Regular Calendar

House File 683, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, modifying the value-added agricultural products and processes financial assistance program, providing endow Iowa seed grants and endow Iowa tax credits, providing funding and tax credits for economic development regions, creating workforce training and economic development funds for community colleges, establishing a school financing program for school infrastructure purposes, creating a cultural and entertainment district certification program, increasing the availability of rehabilitation project tax credits, eliminating a

small business advisory council, making appropriations, and including effective date and retroactive applicability provisions, was taken up for consideration.

Hoffman of Crawford offered the following amendment H-1558 filed by him from the floor and moved its adoption:

H-1558

1 Amend House File 683 as follows:

2 1. Page 1, by striking line 2 and inserting the
3 following: "IOWA VALUES BOARD AND FUND – BONDING
4 AUTHORITY

5 Section 1. Section 8.57, subsection 5, paragraph
6 e, Code 2003, is amended to read as follows:

7 e. Notwithstanding provisions to the contrary in
8 sections 99D.17 and 99F.11, for the fiscal year period
9 beginning July 1, 2000, and for each fiscal year

10 thereafter, 2003, and ending June 30, 2005, not more
11 than a total of sixty million dollars shall be

12 deposited in the general fund of the state in any
13 fiscal year pursuant to sections 99D.17 and 99F.11;

14 for the fiscal period beginning July 1, 2005, and
15 ending June 30, 2030, not more than a total of sixty

16 million dollars of the moneys directed to be deposited
17 in the general fund of the state in a fiscal year

18 pursuant to sections 99D.17 and 99F.11 shall be
19 deposited in the Iowa values fund created in section

20 15G.105 in any fiscal year; and for the fiscal year
21 beginning July 1, 2030, and for each fiscal year

22 thereafter, not more than a total of sixty million

23 dollars shall be deposited in the general fund of the
24 state in any fiscal year pursuant to sections 99D.17

25 and 99F.11. The next fifteen million dollars of the
26 moneys directed to be deposited in the general fund of

27 the state in a fiscal year pursuant to sections 99D.17
28 and 99F.11 shall be deposited in the vision Iowa fund

29 created in section 12.72 for the fiscal year beginning
30 July 1, 2000, and for each fiscal year through the

31 fiscal year beginning July 1, 2019. The next five
32 million dollars of the moneys directed to be deposited

33 in the general fund of the state in a fiscal year

34 pursuant to sections 99D.17 and 99F.11 shall be

35 deposited in the school infrastructure fund created in
36 section 12.82 for the fiscal year beginning July 1,

37 2000, and for each fiscal year thereafter until the

38 principal and interest on all bonds issued by the
39 treasurer of state pursuant to section 12.81 are paid,

40 as determined by the treasurer of state. The total

41 moneys in excess of the moneys deposited in the

42 general fund of the state, the Iowa values fund, the
43 vision Iowa fund, and the school infrastructure fund
44 in a fiscal year shall be deposited in the rebuild
45 Iowa infrastructure fund and shall be used as provided
46 in this section, notwithstanding section 8.60.
47 If the total amount of moneys directed to be
48 deposited in the general fund of the state under
49 sections 99D.17 and 99F.11 in a fiscal year is less
50 than the total amount of moneys directed to be

Page 2

1 deposited in the Iowa values fund, the vision Iowa
2 fund, and the school infrastructure fund in the fiscal
3 year pursuant to this paragraph "e", the difference
4 shall be paid from lottery revenues in the manner
5 provided in section 99E.10, subsection 3.
6 Sec. __. NEW SECTION. 12.91 GENERAL AND
7 SPECIFIC BONDING POWERS – IOWA VALUES PROGRAM.

8 1. The treasurer of state may issue bonds for the
9 purpose of funding the Iowa values fund created in
10 section 15G.105. The treasurer of state shall have
11 all of the powers which are necessary to issue and
12 secure bonds and carry out the purposes of the fund.
13 The treasurer of state may issue bonds in principal
14 amounts which are necessary to provide sufficient
15 funds for the Iowa values fund, the payment of
16 interest on the bonds, the establishment of reserves
17 to secure the bonds, the costs of issuance of the
18 bonds, other expenditures of the treasurer of state
19 incident to and necessary or convenient to carry out
20 the bond issue for the fund, and all other
21 expenditures of the board necessary or convenient to
22 administer the fund. The bonds are investment
23 securities and negotiable instruments within the
24 meaning of and for purposes of the uniform commercial
25 code.

26 2. Bonds issued under this section are payable
27 solely and only out of the moneys, assets, or revenues
28 of the Iowa values fund and any bond reserve funds
29 established pursuant to section 12.92, all of which
30 may be deposited with trustees or depositories in
31 accordance with bond or security documents and pledged
32 to the payment thereof. Bonds issued under this
33 section shall contain on their face a statement that
34 the bonds do not constitute an indebtedness of the
35 state. The treasurer of state shall not pledge the
36 credit or taxing power of this state or any political
37 subdivision of the state or make bonds issued pursuant
38 to this section payable out of any moneys except those
39 in the Iowa values fund.

40 3. The proceeds of bonds issued by the treasurer

41 of state and not required for immediate disbursement
42 may be deposited with a trustee or depository as
43 provided in the bond documents and invested or
44 reinvested in any investment as directed by the
45 treasurer of state and specified in the trust
46 indenture, resolution, or other instrument pursuant to
47 which the bonds are issued without regard to any
48 limitation otherwise provided by law.
49 4. The bonds shall be:
50 a. In a form, issued in denominations, executed in

Page 3

1 a manner, and payable over terms and with rights of
2 redemption, and be subject to the terms, conditions,
3 and covenants providing for the payment of the
4 principal of, redemption premiums, if any, interest
5 which may be fixed or variable during any period the
6 bonds are outstanding, and such other terms and
7 conditions as prescribed in the trust indenture,
8 resolution, or other instrument authorizing their
9 issuance.
10 b. Negotiable instruments under the laws of the
11 state and may be sold at prices, at public or private
12 sale, and in a manner, as prescribed by the treasurer
13 of state. Chapters 73A, 74, 74A, and 75 do not apply
14 to the sale or issuance of the bonds.
15 c. Subject to the terms, conditions, and covenants
16 providing for the payment of the principal, redemption
17 premiums, if any, interest, and other terms,
18 conditions, covenants, and protective provisions
19 safeguarding payment, not inconsistent with this
20 section and as determined by the trust indenture,
21 resolution, or other instrument authorizing their
22 issuance.
23 5. The bonds are securities in which public
24 officers and bodies of this state, political
25 subdivisions of this state, insurance companies and
26 associations and other persons carrying on an
27 insurance business, banks, trust companies, savings
28 associations, savings and loan associations, and
29 investment companies; administrators, guardians,
30 executors, trustees, and other fiduciaries; and other
31 persons authorized to invest in bonds or other
32 obligations of the state, may properly and legally
33 invest funds, including capital, in their control or
34 belonging to them.
35 6. Bonds must be authorized by a trust indenture,
36 resolution, or other instrument of the treasurer of
37 state.
38 7. Neither the resolution, trust indenture, nor
39 any other instrument by which a pledge is created

40 needs to be recorded or filed under the Iowa uniform
41 commercial code to be valid, binding, or effective.
42 8. Bonds issued under the provisions of this
43 section are declared to be issued for a general public
44 and governmental purpose and all bonds issued under
45 this section shall be exempt from taxation by the
46 state of Iowa and the interest on the bonds shall be
47 exempt from the state income tax and the state
48 inheritance and estate tax.
49 9. Subject to the terms of any bond documents,
50 moneys in the Iowa values fund may be expended for

Page 4

1 administration expenses.
2 10. The treasurer of state may issue bonds for the
3 purpose of refunding any bonds issued pursuant to this
4 section then outstanding, including the payment of any
5 redemption premiums thereon and any interest accrued
6 or to accrue to the date of redemption of the
7 outstanding bonds. Until the proceeds of bonds issued
8 for the purpose of refunding outstanding bonds are
9 applied to the purchase or retirement of outstanding
10 bonds or the redemption of outstanding bonds, the
11 proceeds may be placed in escrow and be invested and
12 reinvested in accordance with the provisions of this
13 section. The interest, income, and profits earned or
14 realized on an investment may also be applied to the
15 payment of the outstanding bonds to be refunded by
16 purchase, retirement, or redemption. After the terms
17 of the escrow have been fully satisfied and carried
18 out, any balance of proceeds and interest earned or
19 realized on the investments may be returned to the
20 treasurer of state for deposit in the Iowa values fund
21 established in section 15G.105. All refunding bonds
22 shall be issued and secured and subject to the
23 provisions of this chapter in the same manner and to
24 the same extent as other bonds issued pursuant to this
25 section.
26 11. The treasurer of state shall have all of the
27 powers which are necessary to issue and secure bonds,
28 including but not limited to the power to procure
29 insurance, other credit enhancements, and other
30 financing arrangements, and to execute instruments and
31 contracts and to enter into agreements convenient or
32 necessary to facilitate financing arrangements with
33 respect to the bonds and to carry out the purposes of
34 the fund, including but not limited to such
35 arrangements, instruments, contracts, and agreements
36 as municipal bond insurance, self-insurance or
37 liquidity trusts, accounts, pools or other
38 arrangements, liquidity facilities or covenants,

39 letters of credit, and interest rate agreements.
40 12. For purposes of this section and sections
41 12.92 through 12.95, the term "bonds" means bonds,
42 notes, and other obligations and financing
43 arrangements issued or entered into by the treasurer
44 of state and the term "interest rate agreement" means
45 an interest rate swap or exchange agreement, an
46 agreement establishing an interest rate floor or
47 ceiling or both, or any similar agreement. Any such
48 agreement may include the option to enter into or
49 cancel the agreement or to reverse or extend the
50 agreement.

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1 Sec. . NEW SECTION. 12.92 IOWA VALUES FUND
2 ACCOUNTS AND RESERVE FUNDS.

3 1. The treasurer of state shall establish such
4 accounts within the Iowa values fund created in
5 section 15G.105 as may be appropriate, including debt
6 service accounts for the purpose of paying the
7 principal of, redemption premium, if any, and interest
8 on bonds payable therefrom. Moneys in the debt
9 service accounts shall not be subject to appropriation
10 for any other purpose by the general assembly, but
11 shall be used only for the purposes of paying the
12 principal of, redemption premium, if any, and interest
13 on the bonds payable therefrom.

14 2. Revenue for the Iowa values fund shall include,
15 but is not limited to, the following, which shall be
16 deposited with the treasurer of state or its designee
17 as provided by any bond or security documents and
18 credited to the debt service account:

19 a. The proceeds of bonds issued to capitalize and
20 pay the costs of the fund and investment earnings on
21 the proceeds.

22 b. Interest attributable to investment of moneys
23 in the fund or an account of the fund.

24 c. Moneys in the form of a devise, gift, bequest,
25 donation, federal or other grant, reimbursement,
26 repayment, judgment, transfer, payment, or
27 appropriation from any source intended to be used for
28 the purposes of the fund or account.

29 3. a. The treasurer of state may create and
30 establish one or more special funds, to be known as
31 "bond reserve funds", to secure one or more issues of
32 bonds issued pursuant to section 12.91. The treasurer
33 of state shall pay into each bond reserve fund any
34 moneys appropriated and made available by the state or
35 treasurer of state for the purpose of the fund, any
36 proceeds of sale of bonds to the extent provided in
37 the resolutions or trust indentures authorizing their

38 issuance, and any other moneys which may be available
39 to the treasurer of state for the purpose of the fund
40 from any other sources. All moneys held in a bond
41 reserve fund, except as otherwise provided in this
42 chapter, shall be used as required solely for the
43 payment of the principal of bonds secured in whole or
44 in part by the fund or of the sinking fund payments
45 with respect to the bonds, the purchase or redemption
46 of the bonds, the payment of interest on the bonds, or
47 the payments of any redemption premium required to be
48 paid when the bonds are redeemed prior to maturity.
49 b. Moneys in a bond reserve fund shall not be
50 withdrawn from it at any time in an amount that will

Page 6

1 reduce the amount of the fund to less than the bond
2 reserve fund requirement established for the fund, as
3 provided in this subsection, except for the purpose of
4 making, with respect to bonds secured in whole or in
5 part by the fund, payment when due of principal,
6 interest, redemption premiums, and the sinking fund
7 payments with respect to the bonds for the payment of
8 which other moneys of the treasurer of state are not
9 available.
10 Any income or interest earned by, or incremental
11 to, a bond reserve fund due to the investment of it
12 may be transferred by the treasurer of state to other
13 funds or accounts to the extent the transfer does not
14 reduce the amount of that bond reserve fund below the
15 bond reserve fund requirement for it.
16 c. The treasurer of state shall not at any time
17 issue bonds, secured in whole or in part by a bond
18 reserve fund, if, upon the issuance of the bonds, the
19 amount in the bond reserve fund will be less than the
20 bond reserve fund requirement for the fund, unless the
21 treasurer of state at the time of issuance of the
22 bonds deposits in the fund from the proceeds of the
23 bonds issued or from other sources an amount which,
24 together with the amount then in the fund, will not be
25 less than the bond reserve fund requirement for the
26 fund. For the purposes of this subsection, the term
27 "bond reserve fund requirement" means, as of any
28 particular date of computation, an amount of money, as
29 provided in the resolutions or trust indentures
30 authorizing the bonds with respect to which the fund
31 is established.
32 d. To assure the continued solvency of any bonds
33 secured by the bond reserve fund, provision is made in
34 paragraph "a" for the accumulation in each bond
35 reserve fund of an amount equal to the bond reserve
36 requirement for the fund. In order to further assure

37 maintenance of the bond reserve funds, the treasurer
38 of state shall, on or before January 1 of each
39 calendar year, make and deliver to the governor the
40 treasurer of state's certificate stating the sum, if
41 any, required to restore each bond reserve fund to the
42 bond reserve fund requirement for that fund. Within
43 thirty days after the beginning of the session of the
44 general assembly next following the delivery of the
45 certificate, the governor shall submit to both houses
46 printed copies of a budget including the sum, if any,
47 required to restore each bond reserve fund to the bond
48 reserve fund requirement for that fund. Any sums
49 appropriated by the general assembly and paid to the
50 treasurer of state pursuant to this subsection shall

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1 be deposited by the treasurer of state in the
2 applicable bond reserve fund.
3 Sec. NEW SECTION. 12.93 PLEDGES.
4 1. It is the intention of the general assembly
5 that a pledge made in respect of bonds shall be valid
6 and binding from the time the pledge is made, that the
7 moneys or property so pledged and received after the
8 pledge by the treasurer of state shall immediately be
9 subject to the lien of the pledge without physical
10 delivery or further act, and that the lien of the
11 pledge shall be valid and binding as against all
12 parties having claims of any kind in tort, contract,
13 or otherwise against the treasurer of state whether or
14 not the parties have notice of the lien.

15 2. The moneys set aside in a fund or funds pledged
16 for any series or issue of bonds shall be held for the
17 sole benefit of the series or issue separate and apart
18 from moneys pledged for another series or issue of
19 bonds of the treasurer of state. Bonds may be issued
20 in series under one or more resolutions or trust
21 indentures and may be fully open-ended, thus providing
22 for the unlimited issuance of additional series, or
23 partially open-ended, limited as to additional series.

24 Sec. NEW SECTION. 12.94 LIMITATIONS.
25 Bonds issued pursuant to section 12.91 are not
26 debts of the state, or of any political subdivision of
27 the state, and do not constitute a pledge of the faith
28 and credit of the state or a charge against the
29 general credit or general fund of the state. The
30 issuance of any bonds pursuant to section 12.91 by the
31 treasurer of state does not directly, indirectly, or
32 contingently obligate the state or a political
33 subdivision of the state to apply moneys, or to levy
34 or pledge any form of taxation whatever, to the
35 payment of the bonds. Bonds issued under section

36 12.91 are payable solely and only from the sources and
37 special fund and accounts provided in section 12.92.
38 Sec. NEW SECTION. 12.95 CONSTRUCTION.
39 Sections 12.91 through 12.94, being necessary for
40 the welfare of this state and its inhabitants, shall
41 be liberally construed to effect its purposes."
42 2. Page 5, by striking lines 9 through 13 and
43 inserting the following:
44 "An Iowa values fund is created and established as
45 a separate and distinct fund in the state treasury.
46 Moneys in the fund shall not be subject to
47 appropriation for any other purposes by the general
48 assembly, other than as provided in this Act, but
49 shall be used only for the purposes of the Iowa values
50 fund. The treasurer of state shall act as custodian

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1 of the fund and disburse moneys contained in the fund
2 as directed by the Iowa values board, including
3 automatic disbursements of funds received pursuant to
4 the terms of bond indentures and documents and
5 security provisions to trustees. The fund shall be
6 administered by the Iowa values board, which shall
7 make expenditures from the fund consistent with the
8 purposes of this Act without further appropriation.
9 Payments of interest, repayments of".
10 3. Title page, line 2, by inserting after the
11 word "fund," the following: "providing for the
12 issuance of tax-exempt bonds,".
13 4. By renumbering as necessary.

Amendment H-1558 was adopted.

Fallon of Polk offered the following amendment H-1416 filed by him and moved its adoption:

H-1416

1 Amend House File 683 as follows:
2 1. Page 1, line 21, by striking the word
3 "seventeen", and inserting the following: "eighteen".
4 2. Page 2, by inserting after line 35 the
5 following:
6 "11. One individual representing an environmental
7 interest, appointed by the governor."
8 3. Page 3, line 16, by striking the letter "I",
9 and inserting the following: "11".
10 4. Page 3, line 21, by striking the letter "I",
11 and inserting the following: "11".

- 12 5. Page 3, line 23, by striking the letter "l",
- 13 and inserting the following: "ll".
- 14 6. By renumbering as necessary.

Amendment H-1416 lost.

Watts of Dallas offered the following amendment H-1490 filed by Watts, et al., and moved its adoption:

H-1490

- 1 Amend House File 683 as follows:
- 2 1. Page 1, line 21, by striking the word
- 3 "seventeen" and inserting the following: "five".
- 4 2. By striking page 2, line 6, through page 3,
- 5 line 4.
- 6 3. Page 3, by inserting after line 13 the
- 7 following:
- 8 "___ One individual from the business community
- 9 appointed by the governor."
- 10 4. Page 3, by striking lines 14 through 21.
- 11 5. Page 3, lines 22 and 23, by striking the words
- 12 and figure "listed in subsection 3, paragraphs "a"
- 13 through "l",
- 14 6. By striking page 3, line 32, through page 4,
- 15 line 1.
- 16 7. By renumbering, redesignating, and correcting
- 17 internal references as necessary.

Amendment H-1490 lost.

Hoffman of Crawford asked and received unanimous consent that amendment H-1518 be deferred.

Roberts of Carroll in the chair at 5:56 p.m.

Fallon of Polk offered the following amendment H-1432 filed by him from the floor and moved its adoption:

H-1432

- 1 Amend House File 683 as follows:
- 2 1. Page 2, by striking lines 2 and 3 and
- 3 inserting the following: "representatives from their
- 4 respective parties."

Amendment H-1432 lost.

Fallon of Polk offered the following amendment H-1429 filed by him and moved its adoption:

H-1429

1 Amend House File 683 as follows:

- 2 1. Page 4, line 13, by striking the word
- 3 "Develop", and inserting the following: "In
- 4 consultation with all other state agencies, develop".
- 5 2. Page 4, line 17, by striking the word
- 6 "Develop", and inserting the following: "In
- 7 consultation with all other state agencies, develop".

Amendment H-1429 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1430 filed by him on April 23, 2003.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1431 filed by him on April 23, 2003.

Fallon of Polk offered the following amendment H-1428 filed by him and moved its adoption:

H-1428

1 Amend House File 683 as follows:

- 2 1. Page 4, by inserting after line 33 the
- 3 following:
- 4 "f. An assessment of quality of life issues
- 5 including issues related to education, environmental
- 6 protection, community design, tax policy, and
- 7 recreation. The assessment shall include how the
- 8 quality of life issues can be integrated into the
- 9 board's primary focus of economic development."

Speaker Rants in the chair at 6:13 p.m.

Amendment H-1428 lost.

Fallon of Polk offered the following amendment H-1424 filed by him and moved its adoption:

H-1424

1 Amend House File 683 as follows:

- 2 1. Page 5, by inserting after line 18 the

3 following:

4 "Sec. ____ NEW SECTION. 15G.221 LOCAL MATCHING
5 MONEYS – SPECIAL ELECTIONS.

6 1. a. A board of supervisors or city council
7 required to expend local matching moneys in return for
8 receiving moneys originating from the Iowa values fund
9 shall cause a notice of the proposed expenditure,
10 including a statement of the amount and purpose for
11 the expenditure, and the right to petition for an
12 election, to be published as provided in subsection 2
13 at least ten days prior to the meeting at which it is
14 proposed to take action for the approval of the
15 expenditure.

16 b. If at any time before the date fixed for taking
17 action to approve the expenditure of local matching
18 moneys, a petition is filed with the county
19 commissioner of elections in the manner provided by
20 subsection 3 asking that the question of expending
21 local matching moneys be submitted to the registered
22 voters of the county or city, the board of supervisors
23 or the city council shall either by resolution declare
24 the proposal to expend local matching moneys to have
25 been abandoned or shall direct the county commissioner
26 of elections to call a special election upon the
27 question of the expenditure of local matching moneys.
28 Notice of the election and its conduct shall be in the
29 manner provided in subsections 4 and 5.

30 c. If no petition is filed, or if a petition is
31 filed and the proposition of expending local matching
32 moneys is approved at an election, the board of
33 supervisors or the city council may proceed with the
34 approval of the expenditure of local matching moneys.
35 2. Unless otherwise provided by state law, when
36 notice is required by this section, the board of
37 supervisors or the city council shall publish the
38 notice at least once in one or more newspapers which
39 meet the requirements of section 618.14.

40 3. a. If a petition of the voters is authorized
41 by this section, the petition is valid if signed by
42 eligible electors of the county or city, as
43 applicable, equal in number to at least ten percent of
44 the votes cast in the county or city, as applicable,
45 for the office of president of the United States or

46 governor at the preceding general election, unless
47 otherwise provided by state law. The petition shall
48 include the signatures of the petitioners, a statement
49 of their place of residence, and the date on which
50 they signed the petition.

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- 1 b. A petition shall be examined before it is
2 accepted for filing. If it appears valid on its face
3 it shall be accepted for filing. If it lacks the
4 required number of signatures it shall be returned to
5 the petitioners.
- 6 c. Petitions which have been accepted for filing
7 are valid unless written objections are filed.
8 Objections must be filed with the county commissioner
9 of elections within five working days after the
10 petition was filed. The objection process in section
11 44.7 shall be followed for objections filed pursuant
12 to this section.
- 13 4. At the election the proposition shall be
14 submitted in the following form:
15 Shall the county (or city) of
16, state of Iowa, be authorized
17 to expend not more than \$..... of local matching
18 moneys for (state purpose of
19 project)?
- 20 5. Notice of the election shall be given by
21 publication as specified in subsection 2. At the
22 election, the ballot used for the submission of the
23 proposition shall be in substantially the form for
24 submitting special questions at general elections.
25 For a proposition to be carried or adopted, a majority
26 of the total votes cast for and against the
27 proposition at the election is required. If the
28 proposition is approved by the voters, the board of
29 supervisors or the city council may proceed with the
30 approval of the expenditure of local matching moneys."
- 31 2. By renumbering as necessary.

Amendment H-1424 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1468 filed by him on April 24, 2003.

Carroll of Poweshiek in the chair at 6:23 p.m.

Winckler of Scott offered the following amendment H-1550 filed by her and Kuhn of Floyd from the floor and moved its adoption:

H-1550

- 1 Amend House File 683 as follows:
2 1. Page 5, by inserting after line 18 the
3 following:

4 "Sec. ____ NEW SECTION. 15G.106 AGREEMENTS –
5 REPORTS.

- 6 1. An entity receiving moneys originating from the
7 Iowa values fund, including, but not limited to,
8 moneys appropriated from the fund to the department of
9 economic development and the office of the treasurer
10 of state, shall enter into an agreement with the board
11 specifying the requirements that must be met to
12 confirm eligibility to receive such moneys. The
13 agreement shall contain a provision requiring the
14 repayment of all or a portion of the moneys received
15 if requirements of the agreement, a mechanism for
16 determining whether the requirements have not been
17 met, and a method for determining the repayment
18 amount. The agreement shall contain the current
19 number of jobs and the wage levels at the business of
20 the entity at the time of receiving moneys, the
21 projected number of jobs created and the wages for the
22 new jobs as a result of receiving the moneys, and the
23 projected timeline for meeting the job creation and
24 wage level objectives. The projected timeline for job
25 creation and wage level objectives shall be considered
26 a requirement of the agreement and the failure to meet
27 the projected timeline shall cause the repayment
28 provisions of the agreement to be enforced. The
29 agreement shall require the entity receiving moneys,
30 for the length of the agreement, to certify annually
31 to the board the compliance of the entity with the
32 requirements of the agreement, including the timeline
33 projections. The compliance certifications shall also
34 include projected revenue to the state caused by the
35 investment of moneys received from the fund, the type
36 of business organization under which the entity is
37 organized, and, when possible, the race and gender of
38 the ownership of the entity.
- 39 2. By January 15 of each year, the board shall
40 submit a written report to the general assembly
41 relating to the information gathered pursuant to
42 subsection 1 during the previous calendar year. The
43 information shall include, but not be limited to,
44 moneys awarded, jobs created, wage levels of new jobs,
45 projected revenue to the state as a result of the
46 moneys awarded, whether compliance issues have arisen,
47 and how the compliance issues were resolved."
- 48 2. By renumbering as necessary.

Amendment H-1550 lost.

Watts of Dallas offered the following amendment H-1489 filed by
Watts, et al., and moved its adoption:

H-1489

- 1 Amend House File 683 as follows:
- 2 1. Page 5, line 27, by striking the figure
- 3 "95,000,000", and inserting the following:
- 4 "50,000,000".
- 5 2. Page 5, line 28, by striking the figure
- 6 "70,000,000", and inserting the following:
- 7 "50,000,000".
- 8 3. Page 5, line 29, by striking the figure
- 9 "65,000,000", and inserting the following:
- 10 "50,000,000".
- 11 4. Page 5, line 30, by striking the figure
- 12 "65,000,000", and inserting the following:
- 13 "50,000,000".
- 14 5. Page 5, line 31, by striking the figure
- 15 "55,000,000", and inserting the following:
- 16 "50,000,000".
- 17 6. By striking page 6, line 34, through page 11,
- 18 line 26.
- 19 7. By striking page 13, line 32, through page 23,
- 20 line 17.
- 21 8. Page 25, line 25, by striking the word "Ten",
- 22 and inserting the following: "Five".
- 23 9. Page 25, line 27, by striking the word
- 24 "Fifteen", and inserting the following: "Ten".
- 25 10. Page 25, line 29, by striking the word
- 26 "Twenty", and inserting the following: "Fifteen".
- 27 11. Page 25, line 31, by striking the word
- 28 "Twenty-five", and inserting the following: "Twenty".
- 29 12. By striking page 26, line 35, through page
- 30 40, line 35.
- 31 13. Title page, by striking lines 4 through 11
- 32 and inserting the following: "program, creating
- 33 workforce training and economic development funds for
- 34 community colleges,".
- 35 14. By renumbering as necessary.

A non-record roll call was requested.

The ayes were 16, nays 49.

Amendment H-1489 lost.

Speaker Rants in the chair at 6:51 p.m.

Fallon of Polk offered the following amendment H-1411 filed by him and moved its adoption:

H-1411

- 1 Amend House File 683 as follows:
- 2 1. Page 6, line 23, by inserting after the word
- 3 "purposes," the following: "Of the moneys allocated
- 4 under this subsection, at least \$5,000,000 shall be
- 5 used to provide financial assistance to producers of
- 6 food products consumed directly in the state. The
- 7 financial assistance shall take the form of start-up
- 8 assistance and assistance in establishing markets."

A non-record roll call was requested.

The ayes were 18, nays 51.

Amendment H-1411 lost.

Kramer of Polk in the chair at 6:59 p.m.

Fallon of Polk offered the following amendment H-1412 filed by him and moved its adoption:

H-1412

- 1 Amend House File 683 as follows:
- 2 1. Page 6, by inserting after line 33 the
- 3 following:
- 4 "8. Notwithstanding any wage threshold provisions
- 5 in programs administered by the department, a business
- 6 receiving moneys appropriated under this section shall
- 7 agree to provide an average wage to new and existing
- 8 full-time employees of at least fifteen dollars per
- 9 hour."
- 10 2. Page 11, by inserting after line 26 the
- 11 following:
- 12 "4. A business receiving moneys appropriated under
- 13 this section shall agree to provide an average wage to
- 14 new and existing full-time employees of at least
- 15 fifteen dollars per hour."

Amendment H-1412 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1425 filed by him on April 23, 2003.

Fallon of Polk offered the following amendment H-1413 filed by him and moved its adoption:

H-1413

- 1 Amend House File 683 as follows:
- 2 1. Page 7, line 18, by inserting after the figure
- 3 "303.3B" the following: "and for financial assistance
- 4 to transit authorities for purposes of integrating the
- 5 use of bicycles and mass transit".

Amendment H-1413 lost.

Fallon of Polk offered the following amendment H-1414 filed by him and moved its adoption:

H-1414

- 1 Amend House File 683 as follows:
- 2 1. Page 8, by striking lines 18 through 26 and
- 3 inserting the following:
- 4 "For purposes of reducing tuition costs at the
- 5 institutions of higher learning under the control of
- 6 the state board of regents:"
- 7 2. By striking page 8, line 32, through page 9,
- 8 line 8.

Speaker Rants in the chair at 7:12 p.m.

Amendment H-1414 lost.

Fallon of Polk offered the following amendment H-1417 filed by him and moved its adoption:

H-1417

- 1 Amend House File 683 as follows:
- 2 1. Page 10, line 4, by striking the words "Iowa
- 3 values board" and inserting the following:
- 4 "department of natural resources".
- 5 2. Page 10, by striking lines 15 through 23.

Amendment H-1417 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1415 filed by him on April 23, 2003.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1418 filed by him on April 23, 2003.

Watts of Dallas offered the following amendment H-1491 filed by Watts, et al., and moved its adoption:

H-1491

- 1 Amend House File 683 as follows:
- 2 1. Page 12, lines 32 and 33, by striking the
- 3 words "or in the productions of wind energy".

A non-record roll call was requested.

The ayes were 11, nays 43.

Amendment H-1491 lost.

Fallon of Polk offered the following amendment H-1419 filed by him and moved its adoption:

H-1419

- 1 Amend House File 683 as follows:
- 2 1. Page 13, line 9, by striking the word "twenty-
- 3 five" and inserting the following: "~~twenty-five~~
- 4 five".

Amendment H-1419 lost.

Fallon of Polk offered the following amendment H-1420 filed by him and moved its adoption:

H-1420

- 1 Amend House File 683 as follows:
- 2 1. Page 13, lines 13 and 14, by striking the
- 3 words "shall may" and inserting the following:
- 4 "shall".
- 5 2. Page 13, lines 15 and 16, by striking the
- 6 words "~~one five~~" and inserting the following: "one".

Amendment H-1420 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1421 filed by him on April 23, 2003.

Shoultz of Black Hawk asked and received unanimous consent to withdraw amendment H-1516 filed by him on April 29, 2003.

Fallon of Polk offered the following amendment H-1423 filed by him and moved its adoption:

H-1423

- 1 Amend House File 683 as follows:
- 2 1. By striking page 24, line 11, through page 25,
- 3 line 18, and inserting the following: "a fiscal year
- 4 shall be expended for purposes of reducing tuition
- 5 costs."
- 6 2. Page 26, by striking lines 7 through 34.
- 7 3. By renumbering as necessary.

Amendment H-1423 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1422 filed by him on April 23, 2003.

Fallon of Polk offered the following amendment H-1426 filed by him and moved its adoption:

H-1426

- 1 Amend House File 683 as follows:
- 2 1. Page 39, lines 32 and 33, by striking the
- 3 words ", in consultation with the department of
- 4 economic development".

Amendment H-1426 lost.

Fallon of Polk offered the following amendment H-1427 filed by him and moved its adoption:

H-1427

- 1 Amend House File 683 as follows:
- 2 1. Page 39, by striking line 35 and inserting the
- 3 following: "exceeding one square mile in size. A

- 4 cultural and entertainment district shall include
5 historic areas of the city or county which include
6 property defined in section 404A.1, subsection 2. In
7 considering certification of a district, the
8 department of cultural affairs shall consider whether
9 any of the following planning principles have been
10 taken into consideration:
11 a. Efficient and effective use of land resources
12 and existing infrastructure by encouraging development
13 in areas with existing infrastructure or capacity to
14 avoid costly duplication of services and costly use of
15 land.
16 b. Provision for a variety of transportation
17 choices, including pedestrian traffic.
18 c. Maintenance of a unique sense of place by
19 respecting local cultural and natural environmental
20 features.
21 d. Conservation of open space and farmland and
22 preservation of critical environmental areas.
23 e. Promotion of the safety, livability, and
24 revitalization of existing urban and rural
25 communities.
26 2A. A cultural and".
27 2. By renumbering as necessary.

A non-record roll call was requested.

The ayes were 10, nays 38.

Amendment H-1427 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1433 filed by him on April 23, 2003.

Jenkins of Black Hawk offered amendment H-1517 filed by him as follows:

H-1517

- 1 Amend House File 683 as follows:
2 1. Page 40, by inserting after line 35 the
3 following:
4 "DIVISION
5 STREAMLINED SALES AND USE TAXES
6 SUBCHAPTER I
7 DEFINITIONS
8 Sec. ____ NEW SECTION. 423.1 DEFINITIONS.
9 As used in this chapter the following words, terms,
10 and phrases have the meanings ascribed to them by this

11 section, except where the context clearly indicates
12 that a different meaning is intended:

13 1. "Agent" means a person appointed by a seller to
14 represent the seller before the member states.

15 2. "Agreement" means the streamlined sales and use
16 tax agreement authorized by subchapter IV of this
17 chapter to provide a mechanism for establishing and
18 maintaining a cooperative, simplified system for the
19 application and administration of sales and use taxes.

20 3. "Agricultural production" includes the
21 production of flowering, ornamental, or vegetable
22 plants in commercial greenhouses or otherwise, and
23 production from aquaculture. "Agricultural products"
24 includes flowering, ornamental, or vegetable plants
25 and those products of aquaculture.

26 4. "Business" includes any activity engaged in by
27 any person or caused to be engaged in by the person
28 with the object of gain, benefit, or advantage, either
29 direct or indirect.

30 5. "Certificate of title" means a certificate of
31 title issued for a vehicle or for manufactured housing
32 under chapter 321.

33 6. "Certified automated system" means software
34 certified under the agreement to calculate the tax
35 imposed by each jurisdiction on a transaction,
36 determine the amount of tax to remit to the
37 appropriate state, and maintain a record of the
38 transaction.

39 7. "Certified service provider" means an agent
40 certified under the agreement to perform all of a
41 seller's sales or use tax functions, other than the
42 seller's obligation to remit tax on its own purchases.

43 8. "Computer" means an electronic device that
44 accepts information in digital or similar form and
45 manipulates the information for a result based on a
46 sequence of instructions.

47 9. "Computer software" means a set of coded
48 instructions designed to cause a computer or automatic
49 data processing equipment to perform a task.

50 10. "Delivered electronically" means delivered to

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1 the purchaser by means other than tangible storage
2 media.

3 11. "Delivery charges" means charges assessed by a
4 seller of personal property or services for
5 preparation and delivery to a location designated by
6 the purchaser of personal property or services
7 including, but not limited to, transportation,
8 shipping, postage, handling, crating, and packing
9 charges.

10 12. "Department" means the department of revenue
11 and finance.

12 13. "Direct mail" means printed material delivered
13 or distributed by United States mail or other delivery
14 service to a mass audience or to addressees on a
15 mailing list provided by the purchaser or at the
16 direction of the purchaser when the cost of the items
17 is not billed directly to the recipients. "Direct
18 mail" includes tangible personal property supplied
19 directly or indirectly by the purchaser to the direct
20 mail seller for inclusion in the package containing
21 the printed material. "Direct mail" does not include
22 multiple items of printed material delivered to a
23 single address.

24 14. "Director" means the director of revenue and
25 finance.

26 15. "Electronic" means relating to technology
27 having electrical, digital, magnetic, wireless,
28 optical, electromagnetic, or similar capabilities.

29 16. "Farm deer" means the same as defined in
30 section 189A.2.

31 17. "Farm machinery and equipment" means machinery
32 and equipment used in agricultural production.

33 18. "First use of a service". A "first use of a
34 service" occurs, for the purposes of this chapter,
35 when a service is rendered, furnished, or performed in
36 Iowa or if rendered, furnished, or performed outside
37 of Iowa, when the product or result of the service is
38 used in Iowa.

39 19. "Goods, wares, or merchandise" means the same
40 as tangible personal property.

41 20. "Governing board" means the group comprised of
42 representatives of the member states of the agreement
43 which is created by the agreement to be responsible
44 for the agreement's administration and operation.

45 21. "Installed purchase price" is the amount
46 charged, valued in money whether paid in money or
47 otherwise, by a building contractor to convert
48 manufactured housing from tangible personal property
49 into realty. "Installed purchase price" includes, but
50 is not limited to, amounts charged for installing a

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1 foundation and electrical and plumbing hookups.
2 "Installed purchase price" excludes any amount charged
3 for landscaping in connection with the conversion.

4 22. "Lease or rental".

5 a. "Lease or rental" means any transfer of
6 possession or control of tangible personal property
7 for a fixed or indeterminate term for consideration.

8 A "lease or rental" may include future options to

9 purchase or extend.

10 b. "Lease or rental" includes agreements covering
11 motor vehicles and trailers when the amount of
12 consideration may be increased or decreased by
13 reference to the amount realized upon sale or
14 disposition of the property as defined in 26 U.S.C. §
15 7701(h)(1).

16 c. "Lease or rental" does not include any of the
17 following:

18 (1) A transfer of possession or control of
19 property under a security agreement or deferred
20 payment plan that requires the transfer of title upon
21 completion of the required payments.

22 (2) A transfer of possession or control of
23 property under an agreement that requires the transfer
24 of title upon completion of required payments, and
25 payment of any option price does not exceed the
26 greater of one hundred dollars or one percent of the
27 total required payments.

28 (3) Providing tangible personal property along
29 with an operator for a fixed or indeterminate period
30 of time. A condition of this exclusion is that the
31 operator is necessary for the equipment to perform as
32 designed. For the purpose of this subparagraph, an
33 operator must do more than maintain, inspect, or set
34 up the tangible personal property.

35 d. This definition shall be used for sales and use
36 tax purposes regardless of whether a transaction is
37 characterized as a lease or rental under generally
38 accepted accounting principles, the Internal Revenue
39 Code, the Uniform Commercial Code, or other provisions
40 of federal, state, or local law.

41 23. "Livestock" includes but is not limited to an
42 animal classified as an ostrich, rhea, emu, bison, or
43 farm deer.

44 24. "Manufactured housing" means "manufactured
45 home" as defined in section 321.1.

46 25. "Member state" is any state which has signed
47 the agreement.

48 26. "Mobile home" means "manufactured or mobile
49 home" as defined in section 321.1.

50 27. "Model 1 seller" is a seller that has selected

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1 a certified service provider as its agent to perform
2 all the seller's sales and use tax functions, other
3 than the seller's obligation to remit tax on its own
4 purchases.

5 28. "Model 2 seller" is a seller that has selected
6 a certified automated system to perform part of its
7 sales and use tax functions, but retains

8 responsibility for remitting the tax.

9 29. "Model 3 seller" is a seller that has sales in
10 at least five member states, has total annual sales
11 revenue of at least five hundred million dollars, has
12 a proprietary system that calculates the amount of tax
13 due each jurisdiction, and has entered into a
14 performance agreement with the member states that
15 establishes a tax performance standard for the seller.
16 As used in this definition, a "seller" includes an
17 affiliated group of sellers using the same proprietary
18 system.

19 30. "Nonresidential commercial operations" means
20 industrial, commercial, mining, or agricultural
21 operations, whether for profit or not, but does not
22 include apartment complexes or mobile home parks.

23 31. "Not registered under the agreement" means
24 lack of registration by a seller with the member
25 states under the central registration system
26 referenced in section 423.11, subsection 4.

27 32. "Person" means an individual, trust, estate,
28 fiduciary, partnership, limited liability company,
29 limited liability partnership, corporation, or any
30 other legal entity.

31 33. "Place of business" means any warehouse,
32 store, place, office, building, or structure where
33 goods, wares, or merchandise are offered for sale at
34 retail or where any taxable amusement is conducted, or
35 each office where gas, water, heat, communication, or
36 electric services are offered for sale at retail.

37 When a retailer or amusement operator sells
38 merchandise by means of vending machines or operates
39 music or amusement devices by coin-operated machines
40 at more than one location within the state, the
41 office, building, or place where the books, papers,
42 and records of the taxpayer are kept shall be deemed
43 to be the taxpayer's place of business.

44 34. "Prewritten computer software" includes
45 software designed and developed by the author or other
46 creator to the specifications of a specific purchaser
47 when it is sold to a person other than the purchaser.
48 The combining of two or more prewritten computer
49 software programs or prewritten portions of prewritten
50 programs does not cause the combination to be other

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1 than prewritten computer software. "Prewritten
2 computer software" also means computer software,
3 including prewritten upgrades, which is not designed
4 and developed by the author or other creator to the
5 specifications of a specific purchaser.

6 When a person modifies or enhances computer

7 software of which the person is not the author or
8 creator, the person shall be deemed to be the author
9 or creator only of such person's modifications or
10 enhancements. Prewritten computer software or a
11 prewritten portion of the prewritten software that is
12 modified or enhanced to any degree, when such
13 modification or enhancement is designed and developed
14 to the specifications of a specific purchaser, remains
15 prewritten computer software. However, when there is
16 a reasonable, separately stated charge or an invoice
17 or other statement of the price given to the purchaser
18 for such modification or enhancement, such
19 modification or enhancement shall not constitute
20 prewritten computer software.

21 35. "Property purchased for resale in connection
22 with the performance of a service" means property
23 which is purchased for resale in connection with the
24 rendition, furnishing, or performance of a service by
25 a person who renders, furnishes, or performs the
26 service if all of the following occur:

27 a. The provider and user of the service intend
28 that a sale of the property will occur.

29 b. The property is transferred to the user of the
30 service in connection with the performance of the
31 service in a form or quantity capable of a fixed or
32 definite price value.

33 c. The sale is evidenced by a separate charge for
34 the identifiable piece of property.

35 36. "Purchase" means any transfer, exchange, or
36 barter, conditional or otherwise, in any manner or by
37 any means whatsoever, for a consideration.

38 37. "Purchase price" means the same as "sales
39 price" as defined in this section.

40 38. "Purchaser" is a person to whom a sale of
41 personal property is made or to whom a service is
42 furnished.

43 39. "Receive" and "receipt" mean any of the
44 following:

45 a. Taking possession of tangible personal
46 property.

47 b. Making first use of a service.

48 c. Taking possession or making first use of
49 digital goods, whichever comes first.

50 "Receive" and "receipt" do not include possession

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1 by a shipping company on behalf of a purchaser.

2 40. "Registered under the agreement" means
3 registration by a seller under the central

4 registration system referenced in section 423.11,
5 subsection 4.

6 41. "Relief agency" means the state, any county,
7 city and county, city, or district thereof, or any
8 agency engaged in actual relief work.

9 42. "Retailer" means and includes every person
10 engaged in the business of selling tangible personal
11 property or taxable services at retail, or the
12 furnishing of gas, electricity, water, or
13 communication service, and tickets or admissions to
14 places of amusement and athletic events or operating
15 amusement devices or other forms of commercial
16 amusement from which revenues are derived. However,
17 when in the opinion of the director it is necessary
18 for the efficient administration of this chapter to
19 regard any salespersons, representatives, truckers,
20 peddlers, or canvassers as agents of the dealers,
21 distributors, supervisors, employers, or persons under
22 whom they operate or from whom they obtain tangible
23 personal property sold by them irrespective of whether
24 or not they are making sales on their own behalf or on
25 behalf of such dealers, distributors, supervisors,
26 employers, or persons, the director may so regard
27 them, and may regard such dealers, distributors,
28 supervisors, employers, or persons as retailers for
29 the purposes of this chapter. "Retailer" includes a
30 seller obligated to collect sales or use tax.

31 43. "Retailer maintaining a place of business in
32 this state" or any like term includes any retailer
33 having or maintaining within this state, directly or
34 by a subsidiary, an office, distribution house, sales
35 house, warehouse, or other place of business, or any
36 representative operating within this state under the
37 authority of the retailer or its subsidiary,
38 irrespective of whether that place of business or
39 representative is located here permanently or
40 temporarily, or whether the retailer or subsidiary is
41 admitted to do business within this state pursuant to
42 chapter 490.

43 44. "Retailers who are not model sellers" means
44 all retailers other than model 1, model 2, or model 3
45 sellers.

46 45. "Retail sale" or "sale at retail" means any
47 sale, lease, or rental for any purpose other than
48 resale, sublease, or subrent.

49 46. "Sales" or "sale" means any transfer,
50 exchange, or barter, conditional or otherwise, in any

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1 manner or by any means whatsoever, for consideration.

2 47. "Sales price" applies to the measure subject
3 to sales tax.

4 a. "Sales price" means the total amount of

5 consideration, including cash, credit, property, and
6 services, for which personal property or services are
7 sold, leased, or rented, valued in money, whether
8 received in money or otherwise, without any deduction
9 for any of the following:

10 (1) The seller's cost of the property sold.

11 (2) The cost of materials used, labor or service
12 cost, interest, losses, all costs of transportation to
13 the seller, all taxes imposed on the seller, and any
14 other expenses of the seller.

15 (3) Charges by the seller for any services
16 necessary to complete the sale, other than delivery
17 and installation charges.

18 (4) Delivery charges.

19 (5) Installation charges.

20 (6) The value of exempt personal property given to
21 the purchaser where taxable and exempt personal
22 property have been bundled together and sold by the
23 seller as a single product or piece of merchandise.

24 (7) Credit for any trade-in authorized by section
25 423.3, subsection 58.

26 b. "Sales price" does not include:

27 (1) Discounts, including cash, term, or coupons
28 that are not reimbursed by a third party that are
29 allowed by a seller and taken by a purchaser on a
30 sale.

31 (2) Interest, financing, and carrying charges from
32 credit extended on the sale of personal property or
33 services, if the amount is separately stated on the
34 invoice, bill of sale, or similar document given to
35 the purchaser.

36 (3) Any taxes legally imposed directly on the
37 consumer that are separately stated on the invoice,
38 bill of sale, or similar document given to the
39 purchaser.

40 (4) The amounts received for charges included in
41 paragraph "a", subparagraphs (3) through (7), if they
42 are separately contracted for and separately stated on
43 the invoice, billing, or similar document given to the
44 purchaser.

45 48. "Sales tax" means the tax levied under
46 subchapter II of this chapter.

47 49. "Seller" means any person making sales,
48 leases, or rentals of personal property or services.

49 50. "Services" means all acts or services
50 rendered, furnished, or performed, other than services

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1 used in processing of tangible personal property for
2 use in retail sales or services, for an employer, as
3 defined in section 422.4, subsection 3, for a valuable

4 consideration by any person engaged in any business or
5 occupation specifically enumerated in section 423.2.
6 The tax shall be due and collectible when the service
7 is rendered, furnished, or performed for the ultimate
8 user of the service.

9 51. "Services used in the processing of tangible
10 personal property" includes the reconditioning or
11 repairing of tangible personal property of the type
12 normally sold in the regular course of the retailer's
13 business and which is held for sale.

14 52. "State" means any state of the United States
15 and the District of Columbia.

16 53. "System" means the central electronic
17 registration system maintained by Iowa and other
18 states which are signatories to the agreement.

19 54. "Tangible personal property" means personal
20 property that can be seen, weighed, measured, felt, or
21 touched, or that is in any other manner perceptible to
22 the senses. "Tangible personal property" includes
23 electricity, water, gas, steam, and prewritten
24 computer software.

25 55. "Taxpayer" includes any person who is subject
26 to a tax imposed by this chapter, whether acting on
27 the person's own behalf or as a fiduciary.

28 56. "Trailer" shall mean every trailer, as is now
29 or may be hereafter so defined by chapter 321, which
30 is required to be registered or is subject only to the
31 issuance of a certificate of title under chapter 321.

32 57. "Use" means and includes the exercise by any
33 person of any right or power over tangible personal
34 property incident to the ownership of that property.
35 A retailer's or building contractor's sale of
36 manufactured housing for use in this state, whether in
37 the form of tangible personal property or of realty,
38 is a use of that property for the purposes of this
39 chapter.

40 58. "Use tax" means the tax levied under
41 subchapter III of this chapter for which the retailer
42 collects and remits tax to the department.

43 59. "User" means the immediate recipient of the
44 services who is entitled to exercise a right of power
45 over the product of such services.

46 60. "Value of services" means the price to the
47 user exclusive of any direct tax imposed by the
48 federal government or by this chapter.

49 61. "Vehicles subject to registration" means any
50 vehicle subject to registration pursuant to section

SALES TAX

Sec. ____ NEW SECTION. 423.2 TAX IMPOSED.

1. There is imposed a tax of five 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 or users except as otherwise provided in this subchapter.

a. For the purposes of this subchapter, sales of the following services are treated as if they were sales of tangible personal property:

(1) Sales of engraving, photography, retouching, printing, and binding services.

(2) Sales of vulcanizing, recapping, and retreading services.

(3) Sales of prepaid telephone calling cards and prepaid authorization numbers.

(4) Sales of optional service or warranty contracts, except residential service contracts regulated under chapter 523C, which provide for the furnishing of labor and materials and require the furnishing of any taxable service enumerated under this section. The sales price is subject to tax even if some of the services furnished are not enumerated under this section. Additional sales, services, or use taxes shall not be levied on services, parts, or labor provided under optional service or warranty contracts which are subject to tax under this subsection.

If the optional service or warranty contract is a computer software maintenance or support service contract and there is no separately stated fee for the taxable personal property or for the nontaxable service, the tax imposed by this subsection shall be imposed on fifty percent of the sales price from the sale of such contract. If the contract provides for technical support services only, no tax shall be imposed under this subsection. The provisions of this subparagraph (4) also apply to the use tax.

(5) Renting of rooms, apartments, or sleeping quarters in a hotel, motel, inn, public lodging house, rooming house, mobile home which is tangible personal property, or tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals. "Renting" and "rent" include any kind of direct or indirect charge for such rooms, apartments, or sleeping quarters, or their use. However, the tax does not apply to the sales price from the renting of

2 by the same person for a period of more than thirty-
3 one consecutive days.

4 b. Sales of building materials, supplies, and
5 equipment to owners, contractors, subcontractors, or
6 builders for the erection of buildings or the
7 alteration, repair, or improvement of real property
8 are retail sales of tangible personal property in
9 whatever quantity sold. Where the owner, contractor,
10 subcontractor, or builder is also a retailer holding a
11 retail sales tax permit and transacting retail sales
12 of building materials, supplies, and equipment, the
13 person shall purchase such items of tangible personal
14 property without liability for the tax if such
15 property will be subject to the tax at the time of
16 resale or at the time it is withdrawn from inventory
17 for construction purposes. The sales tax shall be due
18 in the reporting period when the materials, supplies,
19 and equipment are withdrawn from inventory for
20 construction purposes or when sold at retail. The tax
21 shall not be due when materials are withdrawn from
22 inventory for use in construction outside of Iowa and
23 the tax shall not apply to tangible personal property
24 purchased and consumed by the manufacturer as building
25 materials in the performance by the manufacturer or
26 its subcontractor of construction outside of Iowa.

27 The sale of carpeting is not a sale of building
28 materials. The sale of carpeting to owners,
29 contractors, subcontractors, or builders shall be
30 treated as the sale of ordinary tangible personal
31 property and subject to the tax imposed under this
32 subsection and the use tax.

33 c. The use within this state of tangible personal
34 property by the manufacturer thereof, as building
35 materials, supplies, or equipment, in the performance
36 of construction contracts in Iowa, shall, for the
37 purpose of this subchapter, be construed as a sale at
38 retail of tangible personal property by the
39 manufacturer who shall be deemed to be the consumer of
40 such tangible personal property. The tax shall be
41 computed upon the cost to the manufacturer of the
42 fabrication or production of the tangible personal
43 property.

44 2. A tax of five percent is imposed upon the sales
45 price of the sale or furnishing of gas, electricity,
46 water, heat, pay television service, and communication
47 service, including the sales price from such sales by
48 any municipal corporation or joint water utility
49 furnishing gas, electricity, water, heat, pay
50 television service, and communication service to the

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1 public in its proprietary capacity, except as
2 otherwise provided in this subchapter, when sold at
3 retail in the state to consumers or users.

4 3. A tax of five percent is imposed upon the sales
5 price of all sales of tickets or admissions to places
6 of amusement, fairs, and athletic events except those
7 of elementary and secondary educational institutions.

8 A tax of five percent is imposed on the sales price of
9 an entry fee or like charge imposed solely for the
10 privilege of participating in an activity at a place
11 of amusement, fair, or athletic event unless the sales
12 price of tickets or admissions charges for observing
13 the same activity are taxable under this subchapter.
14 A tax of five percent is imposed upon that part of
15 private club membership fees or charges paid for the
16 privilege of participating in any athletic sports
17 provided club members.

18 4. A tax of five percent is imposed upon the sales
19 price derived from the operation of all forms of
20 amusement devices and games of skill, games of chance,
21 raffles, and bingo games as defined in chapter 99B,
22 operated or conducted within the state, the tax to be
23 collected from the operator in the same manner as for
24 the collection of taxes upon the sales price of
25 tickets or admission as provided in this section. The
26 tax shall also be imposed upon the sales price derived
27 from the sale of lottery tickets or shares pursuant to
28 chapter 99E. The tax on the lottery tickets or shares
29 shall be included in the sales price and distributed
30 to the general fund of the state as provided in
31 section 99E.10. Nothing in this subsection shall
32 legalize any games of skill or chance or slot-operated
33 devices which are now prohibited by law.

34 The tax imposed under this subsection covers the
35 total amount from the operation of games of skill,
36 games of chance, raffles, and bingo games as defined
37 in chapter 99B, and musical devices, weighing
38 machines, shooting galleries, billiard and pool
39 tables, bowling alleys, pinball machines, slot-
40 operated devices selling merchandise not subject to
41 the general sales taxes and on the total amount from
42 devices or systems where prizes are in any manner
43 awarded to patrons and upon the receipts from fees
44 charged for participation in any game or other form of
45 amusement, and generally upon the sales price from any
46 source of amusement operated for profit, not specified
47 in this section, and upon the sales price from which
48 tax is not collected for tickets or admission, but tax
49 shall not be imposed upon any activity exempt from
50 sales tax under section 423.3, subsection 78. Every

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1 person receiving any sales price from the sources
2 described in this section is subject to all provisions
3 of this subchapter relating to retail sales tax and
4 other provisions of this chapter as applicable.
5 5. There is imposed a tax of five percent upon the
6 sales price from the furnishing of services as defined
7 in section 423.1.
8 6. The sales price of any of the following
9 enumerated services is subject to the tax imposed by
10 subsection 5: alteration and garment repair; armored
11 car; vehicle repair; battery, tire, and allied;
12 investment counseling; service charges of all
13 financial institutions; barber and beauty; boat
14 repair; vehicle wash and wax; campgrounds; carpentry;
15 roof, shingle, and glass repair; dance schools and
16 dance studios; dating services; dry cleaning,
17 pressing, dyeing, and laundering; electrical and
18 electronic repair and installation; excavating and
19 grading; farm implement repair of all kinds; flying
20 service; furniture, rug, carpet, and upholstery repair
21 and cleaning; fur storage and repair; golf and country
22 clubs and all commercial recreation; gun and camera
23 repair; house and building moving; household
24 appliance, television, and radio repair; janitorial
25 and building maintenance or cleaning; jewelry and
26 watch repair; lawn care, landscaping, and tree
27 trimming and removal; limousine service, including
28 driver; machine operator; machine repair of all kinds;
29 motor repair; motorcycle, scooter, and bicycle repair;
30 oilers and lubricators; office and business machine
31 repair; painting, papering, and interior decorating;
32 parking facilities; pay television; pet grooming; pipe
33 fitting and plumbing; wood preparation; executive
34 search agencies; private employment agencies,
35 excluding services for placing a person in employment
36 where the principal place of employment of that person
37 is to be located outside of the state; reflexology;
38 security and detective services; sewage services for
39 nonresidential commercial operations; sewing and
40 stitching; shoe repair and shoeshine; sign
41 construction and installation; storage of household
42 goods, mini-storage, and warehousing of raw
43 agricultural products; swimming pool cleaning and
44 maintenance; tanning beds or salons; taxidermy
45 services; telephone answering service; test
46 laboratories, including mobile testing laboratories
47 and field testing by testing laboratories, and
48 excluding tests on humans or animals; termite, bug,
49 roach, and pest eradicators; tin and sheet metal
50 repair; Turkish baths, massage, and reducing salons,

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1 excluding services provided by massage therapists
2 licensed under chapter 152C; water conditioning and
3 softening; weighing; welding; well drilling; wrapping,
4 packing, and packaging of merchandise other than
5 processed meat, fish, fowl, and vegetables; wrecking
6 service; wrecker and towing.

7 For the purposes of this subsection, the sales
8 price of a lease or rental includes rents, royalties,
9 and copyright and license fees. For the purposes of
10 this subsection, "financial institutions" means all
11 national banks, federally chartered savings and loan
12 associations, federally chartered savings banks,
13 federally chartered credit unions, banks organized
14 under chapter 524, savings and loan associations and
15 savings banks organized under chapter 534, and credit
16 unions organized under chapter 533.

17 7. a. A tax of five percent is imposed upon the
18 sales price from the sales, furnishing, or service of
19 solid waste collection and disposal service.

20 For purposes of this subsection, "solid waste"
21 means garbage, refuse, sludge from a water supply
22 treatment plant or air contaminant treatment facility,
23 and other discarded waste materials and sludges, in
24 solid, semisolid, liquid, or contained gaseous form,
25 resulting from nonresidential commercial operations,
26 but does not include auto hulks; street sweepings;
27 ash; construction debris; mining waste; trees; tires;
28 lead acid batteries; used oil; hazardous waste; animal
29 waste used as fertilizer; earthen fill, boulders, or
30 rock; foundry sand used for daily cover at a sanitary
31 landfill; sewage sludge; solid or dissolved material
32 in domestic sewage or other common pollutants in water
33 resources, such as silt, dissolved or suspended solids
34 in industrial waste water effluents or discharges
35 which are point sources subject to permits under
36 section 402 of the federal Water Pollution Control
37 Act, or dissolved materials in irrigation return
38 flows; or source, special nuclear, or by-product
39 material defined by the federal Atomic Energy Act of
40 1954.

41 A recycling facility that separates or processes
42 recyclable materials and that reduces the volume of
43 the waste by at least eighty-five percent is exempt
44 from the tax imposed by this subsection if the waste
45 exempted is collected and disposed of separately from
46 other solid waste.

47 b. A person who transports solid waste generated
48 by that person or another person without compensation
49 shall pay the tax imposed by this subsection at the
50 collection or disposal facility based on the disposal

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charge or tipping fee. However, the costs of a service or portion of a service to collect and manage recyclable materials separated from solid waste by the waste generator are exempt from the tax imposed by this subsection.

8. a. A tax of five percent is imposed upon the sales price from sales of bundled services contracts. For purposes of this subsection, a "bundled services contract" means an agreement providing for a retailer's performance of services, one or more of which is a taxable service enumerated in this section and one or more of which is not, in return for a consumer's or user's single payment for the performance of the services, with no separate statement to the consumer or user of what portion of that payment is attributable to any one service which is a part of the contract.

b. For purposes of the administration of the tax on bundled services contracts, the director may enter into agreements of limited duration with individual retailers, groups of retailers, or organizations representing retailers of bundled services contracts. Such an agreement shall impose the tax rate only upon that portion of the sales price from a bundled services contract which is attributable to taxable services provided under the contract.

9. A tax of five percent is imposed upon the sales price from any mobile telecommunications service which this state is allowed to tax by the provisions of the federal Mobile Telecommunications Sourcing Act, Pub. L. No. 106-252, 4 U.S.C. § 116 et seq. For purposes of this subsection, taxes on mobile telecommunications service, as defined under the federal Mobile Telecommunications Sourcing Act that are deemed to be provided by the customer's home service provider, shall be paid to the taxing jurisdiction whose territorial limits encompass the customer's place of primary use, regardless of where the mobile telecommunications service originates, terminates, or passes through and shall in all other respects be taxed in conformity with the federal Mobile Telecommunications Sourcing Act. All other provisions of the federal Mobile Telecommunications Sourcing Act are adopted by the state of Iowa and incorporated into this subsection by reference. With respect to mobile telecommunications service under the federal Mobile Telecommunications Sourcing Act, the director shall, if requested, enter into agreements consistent with the provisions of the federal Act.

10. All revenues arising under the operation of

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1 the provisions of this section shall be deposited into
2 the general fund of the state.

3 Sec. NEW SECTION. 423.3 EXEMPTIONS.

4 There is exempted from the provisions of this
5 subchapter and from the computation of the amount of
6 tax imposed by it the following:

7 1. The sales price from sales of tangible personal
8 property and services furnished which this state is
9 prohibited from taxing under the Constitution or laws
10 of the United States or under the Constitution of this
11 state.

12 2. The sales price of sales for resale of tangible
13 personal property or taxable services, or for resale
14 of tangible personal property in connection with the
15 furnishing of taxable services.

16 3. The sales price of agricultural breeding
17 livestock and domesticated fowl.

18 4. The sales price of commercial fertilizer.

19 5. The sales price of agricultural limestone,
20 herbicide, pesticide, insecticide, including
21 adjuvants, surfactants, and other products directly
22 related to the application enhancement of those
23 products, food, medication, or agricultural drain
24 tile, including installation of agricultural drain
25 tile, any of which are to be used in disease control,
26 weed control, insect control, or health promotion of
27 plants or livestock produced as part of agricultural
28 production for market.

29 6. The sales price of tangible personal property
30 which will be consumed as fuel in creating heat,
31 power, or steam for grain drying, or for providing
32 heat or cooling for livestock buildings or for
33 greenhouses or buildings or parts of buildings
34 dedicated to the production of flowering, ornamental,
35 or vegetable plants intended for sale in the ordinary
36 course of business, or for use in cultivation of
37 agricultural products by aquaculture, or in implements
38 of husbandry engaged in agricultural production.

39 7. The sales price of services furnished by
40 specialized flying implements of husbandry used for
41 agricultural aerial spraying.

42 8. The sales price exclusive of services of farm
43 machinery and equipment, including auxiliary
44 attachments which improve the performance, safety,
45 operation, or efficiency of the machinery and
46 equipment and replacement parts, if the following
47 conditions are met:

48 a. The farm machinery and equipment shall be
49 directly and primarily used in production of
50 agricultural products.

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1 b. The farm machinery and equipment shall
2 constitute self-propelled implements or implements
3 customarily drawn or attached to self-propelled
4 implements or the farm machinery or equipment is a
5 grain dryer.

6 c. The replacement part is essential to any repair
7 or reconstruction necessary to the farm machinery's or
8 equipment's exempt use in the production of
9 agricultural products.

10 Vehicles subject to registration, as defined in
11 section 423.1, or replacement parts for such vehicles,
12 are not eligible for this exemption.

13 9. The sales price of wood chips, sawdust, hay,
14 straw, paper, or other materials used for bedding in
15 the production of agricultural livestock or fowl.

16 10. The sales price of gas, electricity, water, or
17 heat to be used in implements of husbandry engaged in
18 agricultural production.

19 11. The sales price exclusive of services of farm
20 machinery and equipment, including auxiliary
21 attachments which improve the performance, safety,
22 operation, or efficiency of the machinery and
23 equipment and replacement parts, if all of the
24 following conditions are met:

25 a. The implement, machinery, or equipment is
26 directly and primarily used in livestock or dairy
27 production, aquaculture production, or the production
28 of flowering, ornamental, or vegetable plants.

29 b. The implement is not a self-propelled implement
30 or implement customarily drawn or attached to self-
31 propelled implements.

32 c. The replacement part is essential to any repair
33 or reconstruction necessary to the farm machinery's or
34 equipment's exempt use in livestock or dairy
35 production, aquaculture production, or the production
36 of flowering, ornamental, or vegetable plants.

37 12. The sales price, exclusive of services, from
38 sales of irrigation equipment used in farming
39 operations.

40 13. The sales price from the sale or rental of
41 irrigation equipment, whether installed above or below
42 ground, to a contractor or farmer if the equipment
43 will be primarily used in agricultural operations.

44 14. The sales price from the sales of horses,
45 commonly known as draft horses, when purchased for use
46 and so used as draft horses.

47 15. The sales price from the sale of property
48 which is a container, label, carton, pallet, packing
49 case, wrapping, baling wire, twine, bag, bottle,
50 shipping case, or other similar article or receptacle

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1 sold for use in agricultural, livestock, or dairy
2 production.

3 16. The sales price from the sale of feed and feed
4 supplements and additives when used for consumption by
5 farm deer or bison.

6 17. The sales price of all goods, wares, or
7 merchandise, or services, used for educational
8 purposes sold to any private nonprofit educational
9 institution in this state. For the purpose of this
10 subsection, "educational institution" means an
11 institution which primarily functions as a school,
12 college, or university with students, faculty, and an
13 established curriculum. The faculty of an educational
14 institution must be associated with the institution
15 and the curriculum must include basic courses which
16 are offered every year. "Educational institution"
17 includes an institution primarily functioning as a
18 library.

19 18. The sales price of tangible personal property
20 sold, or of services furnished, to the following
21 nonprofit corporations:

22 a. Residential care facilities and intermediate
23 care facilities for persons with mental retardation
24 and residential care facilities for persons with
25 mental illness licensed by the department of
26 inspections and appeals under chapter 135C.

27 b. Residential facilities licensed by the
28 department of human services pursuant to chapter 237,
29 other than those maintained by individuals as defined
30 in section 237.1, subsection 7.

31 c. Rehabilitation facilities that provide
32 accredited rehabilitation services to persons with
33 disabilities which are accredited by the commission on
34 accreditation of rehabilitation facilities or the
35 accreditation council for services for persons with
36 mental retardation and other persons with
37 developmental disabilities and adult day care services
38 approved for reimbursement by the state department of
39 human services.

40 d. Community mental health centers accredited by
41 the department of human services pursuant to chapter
42 225C.

43 e. Community health centers as defined in 42
44 U.S.C. § 254(c) and migrant health centers as defined
45 in 42 U.S.C. § 254(b).

46 19. The sales price of tangible personal property
47 sold to a nonprofit organization which was organized
48 for the purpose of lending the tangible personal
49 property to the general public for use by them for
50 nonprofit purposes.

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- 1 20. The sales price of tangible personal property
2 sold, or of services furnished, to nonprofit legal aid
3 organizations.
- 4 21. The sales price of goods, wares, or
5 merchandise, or of services, used for educational,
6 scientific, historic preservation, or aesthetic
7 purpose sold to a nonprofit private museum.
- 8 22. The sales price from sales of goods, wares, or
9 merchandise, or from services furnished, to a
10 nonprofit private art center to be used in the
11 operation of the art center.
- 12 23. The sales price of tangible personal property
13 sold, or of services furnished, by a fair society
14 organized under chapter 174.
- 15 24. The sales price from services furnished by the
16 notification center established pursuant to section
17 480.3, and the vendor selected pursuant to section
18 480.3 to provide the notification service.
- 19 25. The sales price of food and beverages sold for
20 human consumption by a nonprofit organization which
21 principally promotes a food or beverage product for
22 human consumption produced, grown, or raised in this
23 state and whose income is exempt from federal taxation
24 under section 501(c) of the Internal Revenue Code.
- 25 26. The sales price of tangible personal property
26 sold, or of services furnished, to a statewide
27 nonprofit organ procurement organization, as defined
28 in section 142C.2.
- 29 27. The sales price of tangible personal property
30 sold, or of services furnished, to a nonprofit
31 hospital licensed pursuant to chapter 135B to be used
32 in the operation of the hospital.
- 33 28. The sales price of tangible personal property
34 sold, or of services furnished, to a freestanding
35 nonprofit hospice facility which operates a hospice
36 program as defined in 42 C.F.R., ch. IV, § 418.3,
37 which property or services are to be used in the
38 hospice program.
- 39 29. The sales price of all goods, wares, or
40 merchandise sold, or of services furnished, which are
41 used in the fulfillment of a written construction
42 contract with a nonprofit hospital licensed pursuant
43 to chapter 135B if all of the following apply:
44 a. The sales and delivery of the goods, wares, or
45 merchandise, or the services furnished occurred
46 between July 1, 1998, and December 31, 2001.
47 b. The written construction contract was entered
48 into prior to December 31, 1999, or bonds to fund the
49 construction were issued prior to December 31, 1999.
50 c. The sales or services were purchased by a

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1 contractor as the agent for the hospital or were
2 purchased directly by the hospital.

3 30. The sales price of livestock ear tags sold by
4 a nonprofit organization whose income is exempt from
5 federal taxation under section 501(c)(6) of the
6 Internal Revenue Code where the proceeds are used in
7 bovine research programs selected or approved by such
8 organization.

9 31. The sales price of goods, wares, or
10 merchandise sold to and of services furnished, and
11 used for public purposes sold to a tax-certifying or
12 tax-levying body of the state or a governmental
13 subdivision of the state, including regional transit
14 systems, as defined in section 324A.1, the state board
15 of regents, department of human services, state
16 department of transportation, any municipally owned
17 solid waste facility which sells all or part of its
18 processed waste as fuel to a municipally owned public
19 utility, and all divisions, boards, commissions,
20 agencies, or instrumentalities of state, federal,
21 county, or municipal government which have no earnings
22 going to the benefit of an equity investor or
23 stockholder, except any of the following:

24 a. The sales price of goods, wares, or merchandise
25 sold to, or of services furnished, and used by or in
26 connection with the operation of any municipally owned
27 public utility engaged in selling gas, electricity,
28 heat, or pay television service to the general public.

29 b. The sales price of furnishing of sewage
30 services to a county or municipality on behalf of
31 nonresidential commercial operations.

32 c. The furnishing of solid waste collection and
33 disposal service to a county or municipality on behalf
34 of nonresidential commercial operations located within
35 the county or municipality.

36 The exemption provided by this subsection shall
37 also apply to all such sales of goods, wares, or
38 merchandise or of services furnished and subject to
39 use tax.

40 32. The sales price of tangible personal property
41 sold, or of services furnished, by a county or city.
42 This exemption does not apply to any of the following:

43 a. The tax specifically imposed under section
44 423.2 on the sales price from sales or furnishing of
45 gas, electricity, water, heat, pay television service,
46 or communication service to the public by a municipal
47 corporation in its proprietary capacity.

48 b. The sale or furnishing of solid waste
49 collection and disposal service to nonresidential
50 commercial operations.

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1 c. The sale or furnishing of sewage service for
2 nonresidential commercial operations.

3 d. Fees paid to cities and counties for the
4 privilege of participating in any athletic sports.

5 33. The sales price of mementos and other items
6 relating to Iowa history and historic sites, the
7 general assembly, and the state capitol, sold by the
8 legislative service bureau and its legislative
9 information office on the premises of property under
10 the control of the legislative council, at the state
11 capitol, and on other state property.

12 34. The sales price from sales of mementos and
13 other items relating to Iowa history and historic
14 sites by the department of cultural affairs on the
15 premises of property under its control and at the
16 state capitol.

17 35. The sales price from sales or services
18 furnished by the state fair organized under chapter
19 173.

20 36. The sales price from sales of tangible
21 personal property or of the sale or furnishing of
22 electrical energy, natural or artificial gas, or
23 communication service to another state or political
24 subdivision of another state if the other state
25 provides a similar reciprocal exemption for this state
26 and political subdivision of this state.

27 37. The sales price of services on or connected
28 with new construction, reconstruction, alteration,
29 expansion, remodeling, or the services of a general
30 building contractor, architect, or engineer.

31 38. The sales price from the sale of building
32 materials, supplies, or equipment sold to rural water
33 districts organized under chapter 504A as provided in
34 chapter 357A and used for the construction of
35 facilities of a rural water district.

36 39. The sales price from "casual sales".

37 "Casual sales" means:

38 a. Sales of tangible personal property, or the
39 furnishing of services, of a nonrecurring nature, by
40 the owner, if the seller, at the time of the sale, is
41 not engaged for profit in the business of selling
42 tangible personal property or services taxed under
43 section 423.2.

44 b. The sale of all or substantially all of the
45 tangible personal property or services held or used by
46 a seller in the course of the seller's trade or
47 business for which the seller is required to hold a
48 sales tax permit when the seller sells or otherwise
49 transfers the trade or business to another person who
50 shall engage in a similar trade or business.

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- 1 40. The sales price from the sale of automotive
2 fluids to a retailer to be used either in providing a
3 service which includes the installation or application
4 of the fluids in or on a motor vehicle, which service
5 is subject to section 423.2, subsection 6, or to be
6 installed in or applied to a motor vehicle which the
7 retailer intends to sell, which sale is subject to
8 section 423.26. For purposes of this subsection,
9 automotive fluids are all those which are refined,
10 manufactured, or otherwise processed and packaged for
11 sale prior to their installation in or application to
12 a motor vehicle. They include but are not limited to
13 motor oil and other lubricants, hydraulic fluids,
14 brake fluid, transmission fluid, sealants,
15 undercoatings, antifreeze, and gasoline additives.
- 16 41. The sales price from the rental of motion
17 picture films, video and audio tapes, video and audio
18 discs, records, photos, copy, scripts, or other media
19 used for the purpose of transmitting that which can be
20 seen, heard, or read, if either of the following
21 conditions are met:
- 22 a. The lessee imposes a charge for the viewing of
23 such media and the charge for the viewing is subject
24 to taxation under this subchapter or is subject to use
25 tax.
- 26 b. The lessee broadcasts the contents of such
27 media for public viewing or listening.
- 28 42. The sales price from the sale of tangible
29 personal property consisting of advertising material
30 including paper to a person in Iowa if that person or
31 that person's agent will, subsequent to the sale, send
32 that advertising material outside this state and the
33 material is subsequently used solely outside of Iowa.
34 For the purpose of this subsection, "advertising
35 material" means any brochure, catalog, leaflet, flyer,
36 order form, return envelope, or similar item used to
37 promote sales of property or services.
- 38 43. The sales price from the sale of property or
39 of services performed on property which the retailer
40 transfers to a carrier for shipment to a point outside
41 of Iowa, places in the United States mail or parcel
42 post directed to a point outside of Iowa, or
43 transports to a point outside of Iowa by means of the
44 retailer's own vehicles, and which is not thereafter
45 returned to a point within Iowa, except solely in the
46 course of interstate commerce or transportation. This
47 exemption shall not apply if the purchaser, consumer,
48 or their agent, other than a carrier, takes physical
49 possession of the property in Iowa.
- 50 44. The sales price from the sale of property

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1 which is a container, label, carton, pallet, packing
2 case, wrapping paper, twine, bag, bottle, shipping
3 case, or other similar article or receptacle sold to
4 retailers or manufacturers for the purpose of
5 packaging or facilitating the transportation of
6 tangible personal property sold at retail or
7 transferred in association with the maintenance or
8 repair of fabric or clothing.

9 45. The sales price from sales or rentals to a
10 printer or publisher of the following: acetate; anti-
11 halation backing; antistatic spray; back lining; base
12 material used as a carrier for light sensitive
13 emulsions; blankets; blow-ups; bronze powder; carbon
14 tissue; codas; color filters; color separations;
15 contacts; continuous tone separations; creative art;
16 custom dies and die cutting materials; dampener
17 sleeves; dampening solution; design and styling; diazo
18 coating; dot etching; dot etching solutions; drawings;
19 drawsheets; driers; duplicate films or prints;
20 electronically digitized images; electrotypes; end
21 product of image modulation; engravings; etch
22 solutions; film; finished art or final art; fix;
23 fixative spray; flats; flying pasters; foils;
24 goldenrod paper; gum; halftones; illustrations; ink;
25 ink paste; keylines; lacquer; lasering images;
26 layouts; lettering; line negatives and positives;
27 linotypes; lithographic offset plates; magnesium and
28 zinc etchings; masking paper; masks; masters; mats;
29 mat service; metal toner; models and modeling; mylar;
30 negatives; nonoffset spray; opaque film process paper;
31 opaquing; padding compound; paper stock; photographic
32 materials: acids, plastic film, desensitizer
33 emulsion, exposure chemicals, fix, developers, and
34 paper; photography, day rate; photopolymer coating;
35 photographs; photostats; photo-display tape;
36 phototypesetter materials; ph-indicator sticks;
37 positives; press pack; printing cylinders; printing
38 plates, all types; process lettering; proof paper;
39 proofs and proof processes, all types; pumice powder;
40 purchased author alterations; purchased composition;
41 purchased phototypesetting; purchased stripping and
42 pasteups; red litho tape; reducers; roller covering;
43 screen tints; sketches; stepped plates; stereotypes;
44 strip types; substrate; tints; tissue overlays;
45 toners; transparencies; tympan; typesetting;
46 typography; varnishes; veloxes; wood mounts; and any
47 other items used in a like capacity to any of the
48 above enumerated items by the printer or publisher to
49 complete a finished product for sale at retail.
50 Expendable tools and supplies which are not enumerated

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- 1 in this subsection are excluded from the exemption.
2 "Printer" means that portion of a person's business
3 engaged in printing that completes a finished product
4 for ultimate sale at retail or means that portion of a
5 person's business used to complete a finished printed
6 packaging material used to package a product for
7 ultimate sale at retail. "Printer" does not mean an
8 in-house printer who prints or copyrights its own
9 materials.
- 10 46. a. The sales price from the sale or rental of
11 computers, machinery, and equipment, including
12 replacement parts, and materials used to construct or
13 self-construct computers, machinery, and equipment if
14 such items are any of the following:
- 15 (1) Directly and primarily used in processing by a
16 manufacturer.
- 17 (2) Directly and primarily used to maintain the
18 integrity of the product or to maintain unique
19 environmental conditions required for either the
20 product or the computers, machinery, and equipment
21 used in processing by a manufacturer, including test
22 equipment used to control quality and specifications
23 of the product.
- 24 (3) Directly and primarily used in research and
25 development of new products or processes of
26 processing.
- 27 (4) Computers used in processing or storage of
28 data or information by an insurance company, financial
29 institution, or commercial enterprise.
- 30 (5) Directly and primarily used in recycling or
31 reprocessing of waste products.
- 32 (6) Pollution-control equipment used by a
33 manufacturer, including but not limited to that
34 required or certified by an agency of this state or of
35 the United States government.
- 36 b. The sales price from the sale of fuel used in
37 creating heat, power, steam, or for generating
38 electrical current, or from the sale of electricity,
39 consumed by computers, machinery, or equipment used in
40 an exempt manner described in paragraph "a",
41 subparagraph (1), (2), (3), (5), or (6).
- 42 c. The sales price from the sale or rental of the
43 following shall not be exempt from the tax imposed by
44 this subchapter:
- 45 (1) Hand tools.
- 46 (2) Point-of-sale equipment and computers.
- 47 (3) Industrial machinery, equipment, and
48 computers, including pollution-control equipment
49 within the scope of section 427A.1, subsection 1,
50 paragraphs "h" and "i".

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1 (4) Vehicles subject to registration, except
2 vehicles subject to registration which are directly
3 and primarily used in recycling or reprocessing of
4 waste products.

5 d. As used in this subsection:

6 (1) "Commercial enterprise" includes businesses
7 and manufacturers conducted for profit and centers for
8 data processing services to insurance companies,
9 financial institutions, businesses, and manufacturers,
10 but excludes professions and occupations and nonprofit
11 organizations.

12 (2) "Financial institution" means as defined in
13 section 527.2.

14 (3) "Insurance company" means an insurer organized
15 or operating under chapter 508, 514, 515, 518, 518A,
16 519, or 520, or authorized to do business in Iowa as
17 an insurer or an insurance producer under chapter
18 522B.

19 (4) "Manufacturer" means as defined in section
20 428.20, but also includes contract manufacturers. A
21 contract manufacturer is a manufacturer that otherwise
22 falls within the definition of manufacturer under
23 section 428.20, except that a contract manufacturer
24 does not sell the tangible personal property the
25 contract manufacturer processes on behalf of other
26 manufacturers. A business engaged in activities
27 subsequent to the extractive process of quarrying or
28 mining, such as crushing, washing, sizing, or blending
29 of aggregate materials, is a manufacturer with respect
30 to these activities.

31 (5) "Processing" means a series of operations in
32 which materials are manufactured, refined, purified,
33 created, combined, or transformed by a manufacturer,
34 ultimately into tangible personal property.
35 Processing encompasses all activities commencing with
36 the receipt or producing of raw materials by the
37 manufacturer and ending at the point products are
38 delivered for shipment or transferred from the
39 manufacturer. Processing includes but is not limited
40 to refinement or purification of materials; treatment
41 of materials to change their form, context, or
42 condition; maintenance of the quality or integrity of
43 materials, components, or products; maintenance of
44 environmental conditions necessary for materials,
45 components, or products; quality control activities;
46 and construction of packaging and shipping devices,
47 placement into shipping containers or any type of
48 shipping devices or medium, and the movement of
49 materials, components, or products until shipment from
50 the processor.

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1 (6) "Receipt or producing of raw materials" means
2 activities performed upon tangible personal property
3 only. With respect to raw materials produced from or
4 upon real estate, the receipt or producing of raw
5 materials is deemed to occur immediately following the
6 severance of the raw materials from the real estate.

7 47. The sales price from the furnishing of the
8 design and installation of new industrial machinery or
9 equipment, including electrical and electronic
10 installation.

11 48. The sales price from the sale of carbon
12 dioxide in a liquid, solid, or gaseous form,
13 electricity, steam, and other taxable services when
14 used by a manufacturer of food products to produce
15 marketable food products for human consumption,
16 including but not limited to treatment of material to
17 change its form, context, or condition, in order to
18 produce the food product, maintenance of quality or
19 integrity of the food product, changing or maintenance
20 of temperature levels necessary to avoid spoilage or
21 to hold the food product in marketable condition,
22 maintenance of environmental conditions necessary for
23 the safe or efficient use of machinery and material
24 used to produce the food product, sanitation and
25 quality control activities, formation of packaging,
26 placement into shipping containers, and movement of
27 the material or food product until shipment from the
28 building of manufacture.

29 49. The sales price of sales of electricity,
30 steam, or any taxable service when purchased and used
31 in the processing of tangible personal property
32 intended to be sold ultimately at retail.

33 50. The sales price of tangible personal property
34 sold for processing. Tangible personal property is
35 sold for processing within the meaning of this
36 subsection only when it is intended that the property
37 will, by means of fabrication, compounding,
38 manufacturing, or germination, become an integral part
39 of other tangible personal property intended to be
40 sold ultimately at retail; or for generating electric
41 current; or the property is a chemical, solvent,
42 sorbent, or reagent, which is directly used and is
43 consumed, dissipated, or depleted, in processing
44 tangible personal property which is intended to be
45 sold ultimately at retail or consumed in the
46 maintenance or repair of fabric or clothing, and which
47 may not become a component or integral part of the
48 finished product. The distribution to the public of
49 free newspapers or shoppers guides is a retail sale
50 for purposes of the processing exemption set out in

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1 this subsection and in subsection 49.

2 51. The sales price from the sale of argon and
3 other similar gases to be used in the manufacturing
4 process.

5 52. The sales price from the sale of electricity
6 to water companies assessed for property tax pursuant
7 to sections 428.24, 428.26, and 428.28 which is used
8 solely for the purpose of pumping water from a river
9 or well.

10 53. The sales price from the sale of wind energy
11 conversion property to be used as an electric power
12 source and the sale of the materials used to
13 manufacture, install, or construct wind energy
14 conversion property used or to be used as an electric
15 power source.

16 For purposes of this subsection, "wind energy
17 conversion property" means any device, including, but
18 not limited to, a wind charger, windmill, wind
19 turbine, tower and electrical equipment, pad mount
20 transformers, power lines, and substation, which
21 converts wind energy to a form of usable energy.

22 54. The sales price from the sales of newspapers,
23 free newspapers, or shoppers guides and the printing
24 and publishing of such newspapers and shoppers guides,
25 and envelopes for advertising.

26 55. The sales price from the sale of motor fuel
27 and special fuel consumed for highway use or in
28 watercraft or aircraft where the fuel tax has been
29 imposed and paid and no refund has been or will be
30 allowed and the sales price from the sales of ethanol
31 blended gasoline, as defined in section 452A.2.

32 56. The sales price from all sales of food and
33 food ingredients. However, as used in this
34 subsection, "food" does not include alcoholic
35 beverages, candy, dietary supplements, food sold
36 through vending machines, prepared food, soft drinks,
37 and tobacco.

38 For the purposes of this subsection:

39 a. "Alcoholic beverages" means beverages that are
40 suitable for human consumption and contain one-half of
41 one percent or more of alcohol by volume.

42 b. "Candy" means a preparation of sugar, honey, or
43 other natural or artificial sweeteners in combination
44 with chocolate, fruits, nuts, or other ingredients or
45 flavorings in the form of bars, drops, or pieces.
46 Candy shall not include any preparation containing
47 flour and shall require no refrigeration.

48 c. "Dietary supplement" means any product, other
49 than tobacco, intended to supplement the diet that
50 contains one or more of the following dietary

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1 ingredients:

2 (1) A vitamin.

3 (2) A mineral.

4 (3) An herb or other botanical.

5 (4) An amino acid.

6 (5) A dietary substance for use by humans to
7 supplement the diet by increasing the total dietary
8 intake.

9 (6) A concentrate, metabolite, constituent,
10 extract, or combination of any of the ingredients in
11 subparagraphs (1) through (5) that is intended for
12 ingestion in tablet, capsule, powder, softgel, gelcap,
13 or liquid form, or if not intended for ingestion in
14 such a form, is not represented as conventional food
15 and is not represented for use as a sole item of a
16 meal or of the diet; and is required to be labeled as
17 a dietary supplement, identifiable by the "supplement
18 facts" box found on the label and as required pursuant
19 to 21 C.F.R. § 101.36.

20 d. "Food and food ingredients" means substances,
21 whether in liquid, concentrated, solid, frozen, dried,
22 or dehydrated form, that are sold for ingestion or
23 chewing by humans and are consumed for their taste or
24 nutritional value.

25 e. "Food sold through vending machines" means food
26 dispensed from a machine or other mechanical device
27 that accepts payment.

28 f. "Prepared food" means any of following:

29 (1) Food sold in a heated state or heated by the
30 seller.

31 (2) Two or more food ingredients mixed or combined
32 by the seller for sale as a single item. "Prepared
33 food", for the purposes of this subparagraph, does not
34 include food that is only cut, repackaged, or
35 pasteurized by the seller, and eggs, fish, meat,
36 poultry, and foods containing these raw animal foods
37 requiring cooking by the consumer as recommended by
38 the United States food and drug administration in
39 chapter 3, part 401.11 of its food code so as to
40 prevent food borne illnesses.

41 (3) Food sold with eating utensils provided by the
42 seller, including plates, knives, forks, spoons,
43 glasses, cups, napkins, or straws. A plate does not
44 include a container or packaging used to transport
45 food.

46 g. "Soft drinks" means nonalcoholic beverages that
47 contain natural or artificial sweeteners. "Soft
48 drinks" does not include beverages that contain milk
49 or milk products; soy, rice, or similar milk
50 substitutes; or greater than fifty percent of

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1 vegetable or fruit juice by volume.

2 f. "Tobacco" means cigarettes, cigars, chewing or
3 pipe tobacco, or any other item that contains tobacco.

4 57. The sales price from the sale of items
5 purchased with coupons issued under the federal Food
6 Stamp Act of 1977, 7 U.S.C. § 2011 et seq.

7 58. In transactions in which tangible personal
8 property is traded toward the sales price of other
9 tangible personal property, that portion of the sales
10 price which is not payable in money to the retailer is
11 exempted from the taxable amount if the following
12 conditions are met:

13 a. The tangible personal property traded to the
14 retailer is the type of property normally sold in the
15 regular course of the retailer's business.

16 b. The tangible personal property traded to the
17 retailer is intended by the retailer to be ultimately
18 sold at retail or is intended to be used by the
19 retailer or another in the remanufacturing of a like
20 item.

21 59. The sales price from the sale or rental of
22 prescription drugs or medical devices intended for
23 human use or consumption.

24 For the purposes of this subsection:

25 a. "Drug" means a compound, substance, or
26 preparation, and any component of a compound,
27 substance, or preparation, other than food and food
28 ingredients, dietary supplements, or alcoholic
29 beverages which is any of the following:

30 (1) Recognized in the official United States
31 pharmacopoeia, official homeopathic pharmacopoeia of
32 the United States, or official national formulary, and
33 supplement to any of them.

34 (2) Intended for use in the diagnosis, cure,
35 mitigation, treatment, or prevention of disease.

36 (3) Intended to affect the structure or any
37 function of the body.

38 b. "Medical device" means equipment or a supply,
39 intended to be prescribed by a practitioner, including
40 orthopedic or orthotic devices. However, "medical
41 device" also includes prosthetic devices, ostomy,
42 urological, and tracheostomy equipment and supplies,
43 and diabetic testing materials, hypodermic syringes
44 and needles, anesthesia trays, biopsy trays and biopsy
45 needles, cannula systems, catheter trays and invasive
46 catheters, dialyzers, drug infusion devices, fistula
47 sets, hemodialysis devices, insulin infusion devices,
48 intraocular lenses, irrigation solutions, intravenous
49 administering sets, solutions and stopcocks, myelogram
50 trays, nebulizers, small vein infusion kits, spinal

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1 puncture trays, transfusion sets, venous blood sets,
2 and oxygen equipment, intended to be dispensed for
3 human use with or without a prescription to an
4 ultimate user.

5 c. "Practitioner" means a practitioner as defined
6 in section 155A.3, or a person licensed to prescribe
7 drugs.

8 d. "Prescription drug" means a drug intended to be
9 dispensed to an ultimate user pursuant to a
10 prescription drug order, formula, or recipe issued in
11 any form of oral, written, electronic, or other means
12 of transmission by a duly licensed practitioner, or
13 oxygen or insulin dispensed for human consumption with
14 or without a prescription drug order or medication
15 order.

16 e. "Prosthetic device" means a replacement,
17 corrective, or supportive device including repair and
18 replacement parts for the same worn on or in the body
19 to do any of the following:

20 (1) Artificially replace a missing portion of the
21 body.

22 (2) Prevent or correct physical deformity or
23 malfunction.

24 (3) Support a weak or deformed portion of the
25 body.

26 f. "Ultimate user" means an individual who has
27 lawfully obtained and possesses a prescription drug or
28 medical device for the individual's own use or for the
29 use of a member of the individual's household, or an
30 individual to whom a prescription drug or medical
31 device has been lawfully supplied, administered,
32 dispensed, or prescribed.

33 60. The sales price from services furnished by
34 aerial commercial and charter transportation services.

35 61. The sales price from the sale of raffle
36 tickets for a raffle licensed pursuant to section
37 99B.5.

38 62. The sales price from the sale of tangible
39 personal property which will be given as prizes to
40 players in games of skill, games of chance, raffles,
41 and bingo games as defined in chapter 99B.

42 63. The sales price from the sale of a modular
43 home, as defined in section 435.1, to the extent of
44 the portion of the purchase price of the modular home
45 which is not attributable to the cost of the tangible
46 personal property used in the processing of the
47 modular home. For purposes of this exemption, the
48 portion of the purchase price which is not
49 attributable to the cost of the tangible personal
50 property used in the processing of the modular home is

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1 forty percent.

2 64. The sales price from charges paid to a
3 provider for access to on-line computer services. For
4 purposes of this subsection, "on-line computer
5 service" means a service that provides or enables
6 computer access by multiple users to the internet or
7 to other information made available through a computer
8 server.

9 65. The sales price from the sale or rental of
10 information services. "Information services" means
11 every business activity, process, or function by which
12 a seller or its agent accumulates, prepares,
13 organizes, or conveys data, facts, knowledge,
14 procedures, and like services to a buyer or its agent
15 of such information through any tangible or intangible
16 medium. Information accumulated, prepared, or
17 organized for a buyer or its agent is an information
18 service even though it may incorporate preexisting
19 components of data or other information. "Information
20 services" includes, but is not limited to, database
21 files, mailing lists, subscription files, market
22 research, credit reports, surveys, real estate
23 listings, bond rating reports, abstracts of title, bad
24 check lists, broadcasting rating services, wire
25 services, and scouting reports, or other similar
26 items.

27 66. The sales price of a sale at retail if the
28 substance of the transaction is delivered to the
29 purchaser digitally, electronically, or utilizing
30 cable, or by radio waves, microwaves, satellites, or
31 fiber optics.

32 67. a. The sales price from the sale of an
33 article of clothing designed to be worn on or about
34 the human body if all of the following apply:

35 (1) The sales price of the article is less than
36 one hundred dollars.

37 (2) The sale takes place during a period beginning
38 at 12:01 a.m. on the first Friday in August and ending
39 at midnight on the following Saturday.

40 b. This subsection does not apply to any of the
41 following:

42 (1) Sport or recreational equipment and protective
43 equipment.

44 (2) Clothing accessories or equipment.

45 (3) The rental of clothing.

46 c. For purposes of this subsection:

47 (1) "Clothing" means all human wearing apparel
48 suitable for general use. "Clothing" includes, but is
49 not limited to the following: aprons, household and
50 shop; athletic supporters; baby receiving blankets;

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1 bathing suits and caps; beach capes and coats; belts
2 and suspenders; boots; coats and jackets; costumes;
3 diapers (children and adults, including disposable
4 diapers); earmuffs; footlets; formal wear; garters and
5 garter belts; girdles; gloves and mittens for general
6 use; hats and caps; hosiery; insoles for shoes; lab
7 coats; neckties; overshoes; pantyhose; rainwear;
8 rubber pants; sandals; scarves; shoes and shoelaces;
9 slippers; sneakers; socks and stockings; steel-toed
10 shoes; underwear; uniforms, athletic and nonathletic;
11 and wedding apparel.

12 "Clothing" does not include the following: belt
13 buckles sold separately; costume masks sold
14 separately; patches and emblems sold separately;
15 sewing equipment and supplies (including, but not
16 limited to, knitting needles, patterns, pins,
17 scissors, sewing machines, sewing needles, tape
18 measures, and thimbles); and sewing materials that
19 become part of clothing (including, but not limited
20 to, buttons, fabric, lace, thread, yarn, and zippers).

21 (2) "Clothing accessories or equipment" means
22 incidental items worn on the person or in conjunction
23 with clothing. "Clothing accessories or equipment"
24 includes, but is not limited to, the following:
25 briefcases; cosmetics; hair notions (including, but
26 not limited to, barrettes, hair bows, and hair nets);
27 handbags; handkerchiefs; jewelry; sunglasses,
28 nonprescription; umbrellas; wallets; watches; and wigs
29 and hairpieces.

30 (3) "Protective equipment" means items for human
31 wear and designed as protection for the wearer against
32 injury or disease or as protection against damage or
33 injury of other persons or property but not suitable
34 for general use. "Protective equipment" includes, but
35 is not limited to, the following: breathing masks;
36 clean room apparel and equipment; ear and hearing
37 protectors; face shields; hard hats; helmets; paint or
38 dust respirators; protective gloves; safety glasses
39 and goggles; safety belts; tool belts; and welders
40 gloves and masks.

41 (4) "Sport or recreational equipment" means items
42 designed for human use and worn in conjunction with an
43 athletic or recreational activity that are not
44 suitable for general use. "Sport or recreational
45 equipment" includes, but is not limited to, the
46 following: ballet and tap shoes; cleated or spiked
47 athletic shoes; gloves (including, but not limited to,
48 baseball, bowling, boxing, hockey, and golf); goggles;
49 hand and elbow guards; life preservers and vests;
50 mouth guards; roller and ice skates; shin guards;

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1 shoulder pads; ski boots; waders; and wetsuits and
2 fins.

3 68. a. Subject to paragraph "b", the sales price
4 from the sale or furnishing of metered gas,
5 electricity, and fuel, including propane and heating
6 oil, to residential customers which is used to provide
7 energy for residential dwellings and units of
8 apartment and condominium complexes used for human
9 occupancy.

10 b. The exemption in this subsection shall be
11 phased in by means of a reduction in the tax rate as
12 follows:

13 (1) If the date of the utility billing or meter
14 reading cycle of the residential customer for the sale
15 or furnishing of metered gas and electricity is on or
16 after January 1, 2002, through December 31, 2002, or
17 if the sale or furnishing of fuel for purposes of
18 residential energy and the delivery of the fuel occurs
19 on or after January 1, 2002, through December 31,
20 2002, the rate of tax is four percent of the sales
21 price.

22 (2) If the date of the utility billing or meter
23 reading cycle of the residential customer for the sale
24 or furnishing of metered gas and electricity is on or
25 after January 1, 2003, through December 31, 2003, or
26 if the sale or furnishing of fuel for purposes of
27 residential energy and the delivery of the fuel occurs
28 on or after January 1, 2003, through December 31,
29 2003, the rate of tax is three percent of the sales
30 price.

31 (3) If the date of the utility billing or meter
32 reading cycle of the residential customer for the sale
33 or furnishing of metered gas and electricity is on or
34 after January 1, 2004, through December 31, 2004, or
35 if the sale or furnishing of fuel for purposes of
36 residential energy and the delivery of the fuel occurs
37 on or after January 1, 2004, through December 31,
38 2004, the rate of tax is two percent of the sales
39 price.

40 (4) If the date of the utility billing or meter
41 reading cycle of the residential customer for the sale
42 or furnishing of metered gas and electricity is on or
43 after January 1, 2005, through December 31, 2005, or
44 if the sale or furnishing of fuel for purposes of
45 residential energy and the delivery of the fuel occurs
46 on or after January 1, 2005, through December 31,
47 2005, the rate of tax is one percent of the sales
48 price.

49 (5) If the date of the utility billing or meter
50 reading cycle of the residential customer for the sale

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1 or furnishing of metered gas and electricity is on or
2 after January 1, 2006, or if the sale, furnishing, or
3 service of fuel for purposes of residential energy and
4 the delivery of the fuel occurs on or after January 1,
5 2006, the rate of tax is zero percent of the sales
6 price.

7 c. The exemption in this subsection does not apply
8 to local option sales and services tax imposed
9 pursuant to chapters 423B and 423E.

10 69. The sales price from charges paid for the
11 delivery of electricity or natural gas if the sale or
12 furnishing of the electricity or natural gas or its
13 use is exempt from the tax on sales prices imposed
14 under this subchapter or from the use tax imposed
15 under subchapter III.

16 70. The sales price from the sales, furnishing, or
17 service of transportation service except the rental of
18 recreational vehicles or recreational boats, except
19 the rental of motor vehicles subject to registration
20 which are registered for a gross weight of thirteen
21 tons or less for a period of sixty days or less, and
22 except the rental of aircraft for a period of sixty
23 days or less. This exemption does not apply to the
24 transportation of electric energy or natural gas.

25 71. The sales price from sales of tangible
26 personal property used or to be used as railroad
27 rolling stock for transporting persons or property, or
28 as materials or parts therefor.

29 72. The sales price from the sales of special fuel
30 for diesel engines consumed or used in the operation
31 of ships, barges, or waterborne vessels which are used
32 primarily in or for the transportation of property or
33 cargo, or the conveyance of persons for hire on rivers
34 bordering on the state if the fuel is delivered by the
35 seller to the purchaser's barge, ship, or waterborne
36 vessel while it is afloat upon such a river.

37 73. The sales price from sales of vehicles subject
38 to registration or subject only to the issuance of a
39 certificate of title and sales of aircraft subject to
40 registration under section 328.20.

41 74. The sales price from the sale of aircraft for
42 use in a scheduled interstate federal aviation
43 administration certificated air carrier operation.

44 75. The sales price from the sale or rental of
45 aircraft; the sale or rental of tangible personal
46 property permanently affixed or attached as a
47 component part of the aircraft, including but not
48 limited to repair or replacement materials or parts;
49 and the sales price of all services used for aircraft
50 repair, remodeling, and maintenance services when such

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1 services are performed on aircraft, aircraft engines,
2 or aircraft component materials or parts. For the
3 purposes of this exemption, "aircraft" means aircraft
4 used in a scheduled interstate federal aviation
5 administration certificated air carrier operation.

6 76. The sales price from the sale or rental of
7 tangible personal property permanently affixed or
8 attached as a component part of the aircraft,
9 including but not limited to repair or replacement
10 materials or parts; and the sales price of all
11 services used for aircraft repair, remodeling, and
12 maintenance services when such services are performed
13 on aircraft, aircraft engines, or aircraft component
14 materials or parts. For the purposes of this
15 exemption, "aircraft" means aircraft used in
16 nonscheduled interstate federal aviation
17 administration certificated air carrier operation
18 operating under 14 C.F.R. ch. 1, pt. 135.

19 77. The sales price from the sale of aircraft to
20 an aircraft dealer who in turn rents or leases the
21 aircraft if all of the following apply:

22 a. The aircraft is kept in the inventory of the
23 dealer for sale at all times.

24 b. The dealer reserves the right to immediately
25 take the aircraft from the renter or lessee when a
26 buyer is found.

27 c. The renter or lessee is aware that the dealer
28 will immediately take the aircraft when a buyer is
29 found.

30 If an aircraft exempt under this subsection is used
31 for any purpose other than leasing or renting, or the
32 conditions in paragraphs "a", "b", and "c" are not
33 continuously met, the dealer claiming the exemption
34 under this subsection is liable for the tax that would
35 have been due except for this subsection. The tax
36 shall be computed upon the original purchase price.

37 78. The sales price from sales or rental of
38 tangible personal property, or services rendered by
39 any entity where the profits from the sales or rental
40 of the tangible personal property, or services
41 rendered are used by or donated to a nonprofit entity
42 which is exempt from federal income taxation pursuant
43 to section 501(c)(3) of the Internal Revenue Code, a
44 government entity, or a nonprofit private educational
45 institution, and where the entire proceeds from the
46 sales, rental, or services are expended for any of the
47 following purposes:

48 a. Educational.

49 b. Religious.

50 c. Charitable. A charitable act is an act done

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1 out of goodwill, benevolence, and a desire to add to
2 or to improve the good of humankind in general or any
3 class or portion of humankind, with no pecuniary
4 profit inuring to the person performing the service or
5 giving the gift.

6 This exemption does not apply to the sales price
7 from games of skill, games of chance, raffles, and
8 bingo games as defined in chapter 99B. This exemption
9 is disallowed on the amount of the sales price only to
10 the extent the profits from the sales, rental, or
11 services are not used by or donated to the appropriate
12 entity and expended for educational, religious, or
13 charitable purposes.

14 79. The sales price from the sale or rental of
15 tangible personal property or from services furnished
16 to a recognized community action agency as provided in
17 section 216A.93 to be used for the purposes of the
18 agency.

19 80. a. For purposes of this subsection,
20 "designated exempt entity" means an entity which is
21 designated in section 423.4, subsection 1.

22 b. If a contractor, subcontractor, or builder is
23 to use building materials, supplies, and equipment in
24 the performance of a construction contract with a
25 designated exempt entity, the person shall purchase
26 such items of tangible personal property without
27 liability for the tax if such property will be used in
28 the performance of the construction contract and a
29 purchasing agent authorization letter and an exemption
30 certificate, issued by the designated exempt entity,
31 are presented to the retailer.

32 c. Where the owner, contractor, subcontractor, or
33 builder is also a retailer holding a retail sales tax
34 permit and transacting retail sales of building
35 materials, supplies, and equipment, the tax shall not
36 be due when materials are withdrawn from inventory for
37 use in construction performed for a designated exempt
38 entity if an exemption certificate is received from
39 such entity.

40 d. Tax shall not apply to tangible personal
41 property purchased and consumed by a manufacturer as
42 building materials, supplies, or equipment in the
43 performance of a construction contract for a
44 designated exempt entity, if a purchasing agent
45 authorization letter and an exemption certificate are
46 received from such entity and presented to a retailer.

47 Sec. NEW SECTION. 423.4 REFUNDS.

48 1. A private nonprofit educational institution in
49 this state, nonprofit private museum in this state,
50 tax-certifying or tax-levying body or governmental

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1 subdivision of the state, including the state board of
2 regents, state department of human services, state
3 department of transportation, a municipally owned
4 solid waste facility which sells all or part of its
5 processed waste as fuel to a municipally owned public
6 utility, and all divisions, boards, commissions,
7 agencies, or instrumentalities of state, federal,
8 county, or municipal government which do not have
9 earnings going to the benefit of an equity investor or
10 stockholder, may make application to the department
11 for the refund of the sales or use tax upon the sales
12 price of all sales of goods, wares, or merchandise, or
13 from services furnished to a contractor, used in the
14 fulfillment of a written contract with the state of
15 Iowa, any political subdivision of the state, or a
16 division, board, commission, agency, or
17 instrumentality of the state or a political
18 subdivision, a private nonprofit educational
19 institution in this state, or a nonprofit private
20 museum in this state if the property becomes an
21 integral part of the project under contract and at the
22 completion of the project becomes public property, is
23 devoted to educational uses, or becomes a nonprofit
24 private museum; except goods, wares, or merchandise,
25 or services furnished which are used in the
26 performance of any contract in connection with the
27 operation of any municipal utility engaged in selling
28 gas, electricity, or heat to the general public or in
29 connection with the operation of a municipal pay
30 television system; and except goods, wares, and
31 merchandise used in the performance of a contract for
32 a "project" under chapter 419 as defined in that
33 chapter other than goods, wares, or merchandise used
34 in the performance of a contract for a "project" under
35 chapter 419 for which a bond issue was approved by a
36 municipality prior to July 1, 1968, or for which the
37 goods, wares, or merchandise becomes an integral part
38 of the project under contract and at the completion of
39 the project becomes public property or is devoted to
40 educational uses.

41 a. Such contractor shall state under oath, on
42 forms provided by the department, the amount of such
43 sales of goods, wares, or merchandise, or services
44 furnished and used in the performance of such
45 contract, and upon which sales or use tax has been
46 paid, and shall file such forms with the governmental
47 unit, private nonprofit educational institution, or
48 nonprofit private museum which has made any written
49 contract for performance by the contractor. The forms
50 shall be filed by the contractor with the governmental

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1 unit, educational institution, or nonprofit private
2 museum before final settlement is made.
3 b. Such governmental unit, educational
4 institution, or nonprofit private museum shall, not
5 more than one year after the final settlement has been
6 made, make application to the department for any
7 refund of the amount of the sales or use tax which
8 shall have been paid upon any goods, wares, or
9 merchandise, or services furnished, the application to
10 be made in the manner and upon forms to be provided by
11 the department, and the department shall forthwith
12 audit the claim and, if approved, issue a warrant to
13 the governmental unit, educational institution, or
14 nonprofit private museum in the amount of the sales or
15 use tax which has been paid to the state of Iowa under
16 the contract.

17 Refunds authorized under this subsection shall
18 accrue interest at the rate in effect under section
19 421.7 from the first day of the second calendar month
20 following the date the refund claim is received by the
21 department.

22 c. Any contractor who willfully makes a false
23 report of tax paid under the provisions of this
24 subsection is guilty of a simple misdemeanor and in
25 addition shall be liable for the payment of the tax
26 and any applicable penalty and interest.

27 2. The refund of sales and use tax paid on
28 transportation construction projects let by the state
29 department of transportation is subject to the special
30 provisions of this subsection.

31 a. A contractor awarded a contract for a
32 transportation construction project is considered the
33 consumer of all building materials, building supplies,
34 and equipment and shall pay sales tax to the supplier
35 or remit consumer use tax directly to the department.

36 b. The contractor is not required to file
37 information with the state department of
38 transportation stating the amount of goods, wares, or
39 merchandise, or services rendered, furnished, or
40 performed and used in the performance of the contract
41 or the amount of sales or use tax paid.

42 c. The state department of transportation shall
43 file a refund claim based on a formula that considers
44 the following:

45 (1) The quantity of material to complete the
46 contract, and quantities of items of work.
47 (2) The estimated cost of these materials included
48 in the items of work, and the state sales or use tax
49 to be paid on the tax rate in effect in section 423.2.
50 The quantity of materials shall be determined after

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1 each letting based on the contract quantities of all
2 items of work let to contract. The quantity of
3 individual component materials required for each item
4 shall be determined and maintained in a database. The
5 total quantities of materials shall be determined by
6 multiplying the quantities of component materials for
7 each contract item of work by the total quantities of
8 each contract item for each letting. Where variances
9 exist in the cost of materials, the lowest cost shall
10 be used as the base cost.

11 d. Only the state sales or use tax is refundable.
12 Local option taxes paid by the contractor are not
13 refundable.

14 3. A relief agency may apply to the director for
15 refund of the amount of sales or use tax imposed and
16 paid upon sales to it of any goods, wares,
17 merchandise, or services furnished, used for free
18 distribution to the poor and needy.

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

22 (1) On forms furnished by the department, and
23 filed within the time as the director shall provide by
24 rule, the relief agency shall report to the department
25 the total amount or amounts, valued in money, expended
26 directly or indirectly for goods, wares, merchandise,
27 or services furnished, used for free distribution to
28 the poor and needy.

29 (2) On these forms the relief agency shall
30 separately list the persons making the sales to it or
31 to its order, together with the dates of the sales,
32 and the total amount so expended by the relief agency.

33 (3) The relief agency must prove to the
34 satisfaction of the director that the person making
35 the sales has included the amount thereof in the
36 computation of the sales price of such person and that
37 such person has paid the tax levied by this subchapter
38 or subchapter III, based upon such computation of the
39 sales price.

40 b. If satisfied that the foregoing conditions and
41 requirements have been complied with, the director
42 shall refund the amount claimed by the relief agency.

43 SUBCHAPTER III

44 USE TAX

45 Sec. ____ NEW SECTION. 423.5 IMPOSITION OF TAX.

46 An excise tax at the rate of five percent of the
47 purchase price or installed purchase price is imposed
48 on the following:

49 1. The use in this state of tangible personal
50 property as defined in section 423.1, including

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1 aircraft subject to registration under section 328.20,
2 purchased for use in this state. For the purposes of
3 this subchapter, the furnishing or use of the
4 following services is also treated as the use of
5 tangible personal property: optional service or
6 warranty contracts, except residential service
7 contracts regulated under chapter 523C, vulcanizing,
8 recapping, or retreading services, engraving,
9 photography, retouching, printing, or binding
10 services, and communication service when furnished or
11 delivered to consumers or users within this state.

12 2. The use of manufactured housing in this state,
13 on the purchase price if the manufactured housing is
14 sold in the form of tangible personal property or on
15 the installed purchase price if the manufactured
16 housing is sold in the form of realty.

17 3. The use of leased vehicles, on the amount
18 subject to tax as calculated pursuant to section
19 423.27.

20 4. Purchases of tangible personal property made
21 from the government of the United States or any of its
22 agencies by ultimate consumers shall be subject to the
23 tax imposed by this section. Services purchased from
24 the same source or sources shall be subject to the
25 service tax imposed by this subchapter and apply to
26 the user of the services.

27 5. The use in this state of services enumerated in
28 section 423.2. This tax is applicable where services
29 are furnished in this state or where the product or
30 result of the service is used in this state.

31 6. The excise tax is imposed upon every person
32 using the property within this state until the tax has
33 been paid directly to the county treasurer, the state
34 department of transportation, a retailer, or the
35 department. This tax is imposed on every person using
36 the services or the product of the services in this
37 state until the user has paid the tax either to an
38 Iowa use tax permit holder or to the department.

39 7. For the purpose of the proper administration of
40 the use tax and to prevent its evasion, evidence that
41 tangible personal property was sold by any person for
42 delivery in this state shall be prima facie evidence
43 that such tangible personal property was sold for use
44 in this state.

45 Sec. ____ NEW SECTION. 423.6 EXEMPTIONS.

46 The use in this state of the following tangible
47 personal property and services is exempted from the
48 tax imposed by this subchapter:

49 1. Tangible personal property and enumerated
50 services, the sales price from the sale of which are

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1 required to be included in the measure of the sales
2 tax, if that tax has been paid to the department or
3 the retailer. This exemption does not include
4 vehicles subject to registration or subject only to
5 the issuance of a certificate of title.

6 2. The sale of tangible personal property or the
7 furnishing of services in the regular course of
8 business.

9 3. Property used in processing. The use of
10 property in processing within the meaning of this
11 subsection shall mean and include any of the
12 following:

13 a. Any tangible personal property including
14 containers which it is intended shall, by means of
15 fabrication, compounding, manufacturing, or
16 germination, become an integral part of other tangible
17 personal property intended to be sold ultimately at
18 retail, and containers used in the collection,
19 recovery, or return of empty beverage containers
20 subject to chapter 455C.

21 b. Fuel which is consumed in creating power, heat,
22 or steam for processing or for generating electric
23 current.

24 c. Chemicals, solvents, sorbents, or reagents,
25 which are directly used and are consumed, dissipated,
26 or depleted in processing tangible personal property
27 which is intended to be sold ultimately at retail, and
28 which may not become a component or integral part of
29 the finished product.

30 d. The distribution to the public of free
31 newspapers or shoppers guides shall be deemed a retail
32 sale for purposes of the processing exemption in this
33 subsection.

34 4. All articles of tangible personal property
35 brought into the state of Iowa by a nonresident
36 individual for the individual's use or enjoyment while
37 within the state.

38 5. Services exempt from taxation by the provisions
39 of section 423.3.

40 6. Tangible personal property or services the
41 sales price of which is exempt from the sales tax
42 under section 423.3, except subsections 39 and 73, as
43 it relates to the sale, but not the lease or rental,
44 of vehicles subject to registration or subject only to
45 the issuance of a certificate of title and as it
46 relates to aircraft subject to registration under
47 section 328.20.

48 7. Advertisement and promotional material and
49 matter, seed catalogs, envelopes for same, and other
50 similar material temporarily stored in this state

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1 which are acquired outside of Iowa and which,
2 subsequent to being brought into this state, are sent
3 outside of Iowa, either singly or physically attached
4 to other tangible personal property sent outside of
5 Iowa.

6 8. Vehicles, as defined in section 321.1,
7 subsections 41, 64A, 71, 85, and 88, except such
8 vehicles subject to registration which are designed
9 primarily for carrying persons, when purchased for
10 lease and actually leased to a lessee for use outside
11 the state of Iowa and the subsequent sole use in Iowa
12 is in interstate commerce or interstate
13 transportation.

14 9. Tangible personal property which, by means of
15 fabrication, compounding, or manufacturing, becomes an
16 integral part of vehicles, as defined in section
17 321.1, subsections 41, 64A, 71, 85, and 88,
18 manufactured for lease and actually leased to a lessee
19 for use outside the state of Iowa and the subsequent
20 sole use in Iowa is in interstate commerce or
21 interstate transportation. Vehicles subject to
22 registration which are designed primarily for carrying
23 persons are excluded from this subsection.

24 10. Vehicles subject to registration which are
25 transferred from a business or individual conducting a
26 business within this state as a sole proprietorship,
27 partnership, or limited liability company to a
28 corporation formed by the sole proprietorship,
29 partnership, or limited liability company for the
30 purpose of continuing the business when all of the
31 stock of the corporation so formed is owned by the
32 sole proprietor and the sole proprietor's spouse, by
33 all the partners in the case of a partnership, or by
34 all the members in the case of a limited liability
35 company. This exemption is equally available where
36 the vehicles subject to registration are transferred
37 from a corporation to a sole proprietorship,
38 partnership, or limited liability company formed by
39 that corporation for the purpose of continuing the
40 business when all of the incidents of ownership are
41 owned by the same person or persons who were
42 stockholders of the corporation.

43 This exemption also applies where the vehicles
44 subject to registration are transferred from a
45 corporation as part of the liquidation of the
46 corporation to its stockholders if within three months
47 of such transfer the stockholders retransfer those
48 vehicles subject to registration to a sole
49 proprietorship, partnership, or limited liability
50 company for the purpose of continuing the business of

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1 the corporation when all of the incidents of ownership
2 are owned by the same person or persons who were
3 stockholders of the corporation.

4 11. Vehicles registered or operated under chapter
5 326 and used substantially in interstate commerce,
6 section 423.5, subsection 7, notwithstanding. For
7 purposes of this subsection, "substantially in
8 interstate commerce" means that a minimum of twenty-
9 five percent of the miles operated by the vehicle
10 accrues in states other than Iowa. This subsection
11 applies only to vehicles which are registered for a
12 gross weight of thirteen tons or more.

13 For purposes of this subsection, trailers and
14 semitrailers registered or operated under chapter 326
15 are deemed to be used substantially in interstate
16 commerce and to be registered for a gross weight of
17 thirteen tons or more.

18 For the purposes of this subsection, if a vehicle
19 meets the requirement that twenty-five percent of the
20 miles operated accrues in states other than Iowa in
21 each year of the first four-year period of operation,
22 the exemption from use tax shall continue until the
23 vehicle is sold or transferred. If the vehicle is
24 found to have not met the exemption requirements or
25 the exemption was revoked, the value of the vehicle
26 upon which the use tax shall be imposed is the book or
27 market value, whichever is less, at the time the
28 exemption requirements were not met or the exemption
29 was revoked.

30 12. Mobile homes and manufactured housing the use
31 of which has previously been subject to the tax
32 imposed under this subchapter and for which that tax
33 has been paid.

34 13. Mobile homes to the extent of the portion of
35 the purchase price of the mobile home which is not
36 attributable to the cost of the tangible personal
37 property used in the processing of the mobile home,
38 and manufactured housing to the extent of the purchase
39 price or the installed purchase price of the
40 manufactured housing which is not attributable to the
41 cost of the tangible personal property used in the
42 processing of the manufactured housing. For purposes
43 of this exemption, the portion of the purchase price
44 which is not attributable to the cost of the tangible
45 personal property used in the processing of the mobile
46 home is forty percent and the portion of the purchase
47 price or installed purchase price which is not
48 attributable to the cost of the tangible personal
49 property used in the processing of the manufactured
50 housing is forty percent.

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- 1 14. Tangible personal property used or to be used
- 2 as a ship, barge, or waterborne vessel which is used
- 3 or to be used primarily in or for the transportation
- 4 of property or cargo for hire on the rivers bordering
- 5 the state or as materials or parts of such ship,
- 6 barge, or waterborne vessel.
- 7 15. Vehicles subject to registration in any state
- 8 when purchased for rental or registered and titled by
- 9 a motor vehicle dealer licensed pursuant to chapter
- 10 322 for rental use, and held for rental for a period
- 11 of one hundred twenty days or more and actually rented
- 12 for periods of sixty days or less by a person
- 13 regularly engaged in the business of renting vehicles
- 14 including, but not limited to, motor vehicle dealers
- 15 licensed pursuant to chapter 322 who rent automobiles
- 16 to users, if the rental of the vehicles is subject to
- 17 taxation under chapter 423C.
- 18 16. Motor vehicles subject to registration which
- 19 were registered and titled between July 1, 1982, and
- 20 July 1, 1992, to a motor vehicle dealer licensed under
- 21 chapter 322 and which were rented to a user as defined
- 22 in section 423C.2 if the following occurred:
- 23 a. The dealer kept the vehicle on the inventory of
- 24 vehicles for sale at all times.
- 25 b. The vehicle was to be immediately taken from
- 26 the user of the vehicle when a buyer was found.
- 27 c. The user was aware of this situation.
- 28 17. Vehicles subject to registration under chapter
- 29 321, with a gross vehicle weight rating of less than
- 30 sixteen thousand pounds, excluding motorcycles and
- 31 motorized bicycles, when purchased for lease and
- 32 titled by the lessor licensed pursuant to chapter 321F
- 33 and actually leased for a period of twelve months or
- 34 more if the lease of the vehicle is subject to
- 35 taxation under section 423.27.
- 36 A lessor may maintain the exemption from use tax
- 37 under this subsection for a qualifying lease that
- 38 terminates at the conclusion or prior to the
- 39 contracted expiration date, if the lessor does not use
- 40 the vehicle for any purpose other than for lease.
- 41 Once the vehicle is used by the lessor for a purpose
- 42 other than for lease, the exemption from use tax under
- 43 this subsection no longer applies and, unless there is
- 44 an exemption from the use tax, use tax is due on the
- 45 fair market value of the vehicle determined at the
- 46 time the lessor uses the vehicle for a purpose other
- 47 than for lease, payable to the department. If the
- 48 lessor holds the vehicle exclusively for sale, use tax
- 49 is due and payable on the purchase price of the
- 50 vehicle at the time of purchase pursuant to this

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1 subchapter.

2 18. Aircraft for use in a scheduled interstate
3 federal aviation administration certificated air
4 carrier operation.

5 19. Aircraft; tangible personal property
6 permanently affixed or attached as a component part of
7 the aircraft, including but not limited to repair or
8 replacement materials or parts; and all services used
9 for aircraft repair, remodeling, and maintenance
10 services when such services are performed on aircraft,
11 aircraft engines, or aircraft component materials or
12 parts. For the purposes of this exemption, "aircraft"
13 means aircraft used in a scheduled interstate federal
14 aviation administration certificated air carrier
15 operation.

16 20. Tangible personal property permanently affixed
17 or attached as a component part of the aircraft,
18 including but not limited to repair or replacement
19 materials or parts; and all services used for aircraft
20 repair, remodeling, and maintenance services when such
21 services are performed on aircraft, aircraft engines,
22 or aircraft component materials or parts. For the
23 purposes of this exemption, "aircraft" means aircraft
24 used in a nonscheduled interstate federal aviation
25 administration certificated air carrier operation
26 operating under 14 C.F.R., ch. 1, pt. 135.

27 21. Aircraft sold to an aircraft dealer who in
28 turn rents or leases the aircraft if all of the
29 following apply:

30 a. The aircraft is kept in the inventory of the
31 dealer for sale at all times.

32 b. The dealer reserves the right to immediately
33 take the aircraft from the renter or lessee when a
34 buyer is found.

35 c. The renter or lessee is aware that the dealer
36 will immediately take the aircraft when a buyer is
37 found.

38 If an aircraft exempt under this subsection is used
39 for any purpose other than leasing or renting, or the
40 conditions in paragraphs "a", "b", and "c" are not
41 continuously met, the dealer claiming the exemption
42 under this subsection is liable for the tax that would
43 have been due except for this subsection. The tax
44 shall be computed upon the original purchase price.

45 22. The use in this state of building materials,
46 supplies, or equipment, the sale or use of which is
47 not treated as a retail sale or a sale at retail under
48 section 423.2, subsection 1.

49 23. Exempted from the purchase price of any
50 vehicle subject to registration is:

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1 a. The amount of any cash rebate which is provided
2 by a motor vehicle manufacturer to the purchaser of
3 the vehicle subject to registration so long as the
4 rebate is applied to the purchase price of the
5 vehicle.

6 b. In a transaction between persons, neither of
7 which is a retailer of vehicles subject to
8 registration, in which a vehicle subject to
9 registration is traded toward the purchase price of
10 another vehicle subject to registration, the amount of
11 the trade-in value allowed on the vehicle subject to
12 registration traded.

13 SUBCHAPTER IV

14 UNIFORM SALES AND USE TAX ADMINISTRATION ACT

15 Sec. __. NEW SECTION. 423.7 TITLE.

16 This subchapter shall be known and may be cited as
17 the "Uniform Sales and Use Tax Administration Act".

18 Sec. __. NEW SECTION. 423.8 LEGISLATIVE FINDING
19 AND INTENT.

20 The general assembly finds that Iowa should enter
21 into an agreement with one or more states to simplify
22 and modernize sales and use tax administration in
23 order to substantially reduce the burden of tax
24 compliance for all sellers and for all types of
25 commerce. It is the intent of the general assembly
26 that entering into this agreement will lead to
27 simplification and modernization of the sales and use
28 tax law and not to the imposition of new taxes or an
29 increase or decrease in the existing number of
30 exemptions, unless such a result is unavoidable under
31 the terms of the agreement.

32 Sec. __. NEW SECTION. 423.9 AUTHORITY TO ENTER
33 AGREEMENT AND TO REPRESENT THE STATE.

34 The director is authorized and directed to enter
35 into the streamlined sales and use tax agreement with
36 one or more states to simplify and modernize sales and
37 use tax administration in order to substantially
38 reduce the burden of tax compliance for all sellers
39 and for all types of commerce.

40 The director is further authorized to take other
41 actions reasonably required to implement the
42 provisions set forth in this chapter. Other actions
43 authorized by this section include, but are not
44 limited to, the adoption of rules and the joint
45 procurement, with other member states, of goods and
46 services in furtherance of the cooperative agreement.

47 The director or the director's designee is
48 authorized to be a member of the governing board
49 established pursuant to the agreement and to represent
50 Iowa before that body.

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1 Sec. . NEW SECTION. 423.10 RELATIONSHIP TO
2 STATE LAW.

3 Entry into the agreement by the director does not
4 amend or modify any law of this state. Implementation
5 of any condition of the agreement in this state,
6 whether adopted before, at, or after membership of
7 this state in the agreement, shall be by action of the
8 general assembly.

9 Sec. . NEW SECTION. 423.11 AGREEMENT
10 REQUIREMENTS.

11 The director shall not enter into the agreement
12 unless the agreement requires each state to abide by
13 the following requirements:

14 1. UNIFORM STATE RATE. The agreement must set
15 restrictions to achieve more uniform state rates
16 through the following:

- 17 a. Limiting the number of state rates.
18 b. Limiting the application of maximums on the
19 amount of state tax that is due on a transaction.
20 c. Limiting the application of thresholds on the
21 application of state tax.

22 2. UNIFORM STANDARDS. The agreement must
23 establish uniform standards for the following:

- 24 a. The sourcing of transactions to taxing
25 jurisdictions.
26 b. The administration of exempt sales.
27 c. The allowances a seller can take for bad debts.
28 d. Sales and use tax returns and remittances.
29 3. UNIFORM DEFINITIONS. The agreement must
30 require states to develop and adopt uniform
31 definitions of sales and use tax terms. The
32 definitions must enable a state to preserve its
33 ability to make policy choices not inconsistent with
34 the uniform definitions.

35 4. CENTRAL REGISTRATION. The agreement must
36 provide a central, electronic registration system that
37 allows a seller to register to collect and remit sales
38 and use taxes for all member states.

39 5. NO NEXUS ATTRIBUTION. The agreement must
40 provide that registration with the central
41 registration system and the collection of sales and
42 use taxes in the member states must not be used as a
43 factor in determining whether the seller has nexus
44 with a state for any tax.

45 6. LOCAL SALES AND USE TAXES. The agreement must
46 provide for reduction of the burdens of complying with
47 local sales and use taxes through the following:

- 48 a. Restricting variances between the state and
49 local tax bases.
50 b. Requiring states to administer any sales and

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1 use taxes levied by local jurisdictions within the
2 state so that sellers collecting and remitting these
3 taxes must not have to register or file returns with,
4 remit funds to, or be subject to independent audits
5 from local taxing jurisdictions.

6 c. Restricting the frequency of changes in the
7 local sales and use tax rates and setting effective
8 dates for the application of local jurisdictional
9 boundary changes to local sales and use taxes.

10 d. Providing notice of changes in local sales and
11 use tax rates and of changes in the boundaries of
12 local taxing jurisdictions.

13 7. MONETARY ALLOWANCES. The agreement must
14 outline any monetary allowances that are to be
15 provided by the states to sellers or certified service
16 providers.

17 8. STATE COMPLIANCE. The agreement must require
18 each state to certify compliance with the terms of the
19 agreement prior to joining and to maintain compliance,
20 under the laws of the member state, with all
21 provisions of the agreement while a member.

22 9. CONSUMER PRIVACY. The agreement must require
23 each state to adopt a uniform policy for certified
24 service providers that protects the privacy of
25 consumers and maintains the confidentiality of tax
26 information.

27 10. ADVISORY COUNCILS. The agreement must provide
28 for the appointment of an advisory council of private
29 sector representatives and an advisory council of
30 nonmember state representatives to consult with in the
31 administration of the agreement.

32 Sec. ____ NEW SECTION. 423.12 LIMITED BINDING
33 AND BENEFICIAL EFFECT.

34 1. The agreement binds and inures only to the
35 benefit of Iowa and the other member states. A
36 person, other than a member state, is not an intended
37 beneficiary of the agreement. Any benefit to a person
38 other than a member state is established by the law of
39 Iowa and not by the terms of the agreement.

40 2. A person shall not have any cause of action or
41 defense under the agreement or by virtue of this
42 state's entry into the agreement. A person may not
43 challenge, in any action brought under any provision
44 of law, any action or inaction by any department,
45 agency, or other instrumentality of this state, or any
46 political subdivision of this state on the ground that
47 the action or inaction is inconsistent with the
48 agreement.

49 3. A law of this state, or the application of it,
50 shall not be declared invalid as to any such person or

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1 circumstance on the ground that the provision or
2 application is inconsistent with the agreement.

3 SUBCHAPTER V

4 SALES AND USE TAX ACT - ADMINISTRATION OF
5 RETAILERS NOT REGISTERED UNDER THE AGREEMENT AND OF
6 CONSUMERS OBLIGATED TO PAY USE TAX DIRECTLY

7 Sec. NEW SECTION. 423.13 PURPOSE OF THIS
8 SUBCHAPTER.

9 The purpose of this subchapter is to provide for
10 the administration and collection of sales or use tax
11 on the part of retailers who are not registered under
12 the agreement and for the collection of use tax on the
13 part of consumers who are obligated to pay that tax
14 directly. Any application of the sections of this
15 subchapter to retailers registered under the agreement
16 is only by way of incorporation by reference into
17 subchapter VI of this chapter.

18 Sec. NEW SECTION. 423.14 SALES AND USE TAX
19 COLLECTION.

20 1. a. Sales tax, other than that described in
21 paragraph "c", shall be collected by sellers who are
22 retailers or by their agents. Sellers or their agents
23 shall, as far as practicable, add the sales tax, or
24 the average equivalent thereof, to the sales price or
25 charge, less trade-ins allowed and taken and when
26 added such tax shall constitute a part of the sales
27 price or charge, shall be a debt from consumer or user
28 to seller or agent until paid, and shall be
29 recoverable at law in the same manner as other debts.

30 b. In computing the tax to be collected as the
31 result of any transaction, the tax computation must be
32 carried to the third decimal place. Whenever the
33 third decimal place is greater than four, the tax must
34 be rounded up to the next whole cent; whenever the
35 third decimal place is four or less, the tax must be
36 rounded downward to a whole cent. Sellers may elect
37 to compute the tax due on transactions on an item or
38 invoice basis. Sellers are not required to use a
39 bracket system.

40 c. The tax imposed upon those sales of motor
41 vehicle fuel which are subject to tax and refund under
42 chapter 452A shall be collected by the state treasurer
43 by way of deduction from refunds otherwise allowable
44 under that chapter. The treasurer shall transfer the
45 amount of such deductions from the motor vehicle fuel
46 tax fund to the special tax fund.

47 2. Use tax shall be collected in the following
48 manner:

49 a. The tax upon the use of all vehicles subject to
50 registration or subject only to the issuance of a

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1 certificate of title or the tax upon the use of
2 manufactured housing shall be collected by the county
3 treasurer or the state department of transportation
4 pursuant to sections 423.26 and 423.27. The county
5 treasurer shall retain one dollar from each tax
6 payment collected, to be credited to the county
7 general fund.

8 b. The tax upon the use of all tangible personal
9 property other than that enumerated in paragraph "a",
10 which is sold by a seller who is a retailer
11 maintaining a place of business in this state, or by
12 such other retailer or agent as the director shall
13 authorize pursuant to section 423.30, shall be
14 collected by the retailer or agent and remitted to the
15 department, pursuant to the provisions of paragraph
16 "e", and sections 423.24, 423.29, 423.30, 423.32, and
17 423.33.

18 c. The tax upon the use of all tangible personal
19 property not paid pursuant to paragraphs "a" and "b"
20 shall be paid to the department directly by any person
21 using the property within this state, pursuant to the
22 provisions of section 423.34.

23 d. The tax imposed on the use of services
24 enumerated in section 423.5 shall be collected,
25 remitted, and paid to the department of revenue and
26 finance in the same manner as use tax on tangible
27 personal property is collected, remitted, and paid
28 under this subchapter.

29 e. All persons obligated by paragraph "a", "b", or
30 "d", to collect use tax shall, as far as practicable,
31 add that tax, or the average equivalent thereof, to
32 the purchase price, less trade-ins allowed and taken,
33 and when added the tax shall constitute a part of the
34 purchase price. Use tax which this section requires
35 to be collected by a retailer and any tax collected
36 pursuant to this section by a retailer shall
37 constitute a debt owed by the retailer to this state.
38 Tax which must be paid directly to the department,
39 pursuant to paragraph "c" or "d", is to be computed
40 and added by the consumer or user to the purchase
41 price in the same manner as this paragraph requires a
42 seller to compute and add the tax. The tax shall be a
43 debt from the consumer or user to the department until
44 paid, and shall be recoverable at law in the same
45 manner as other debts.

46 Sec. ____ NEW SECTION. 423.15 GENERAL SOURCING
47 RULES.

48 All sellers obligated to collect Iowa sales or use
49 tax shall use the standards set out in this section to
50 determine where sales of products occur, excluding

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1 sales enumerated in section 423.16. These provisions
2 apply regardless of the characterization of a product
3 as tangible personal property, a digital good, or a
4 service, excluding telecommunications services. This
5 section only applies to determine a seller's
6 obligation to pay or collect and remit a sales or use
7 tax with respect to the seller's sale of a product.
8 This section does not affect the obligation of a
9 purchaser or lessee to remit tax on the use of the
10 product to the taxing jurisdictions in which the use
11 occurs. A seller's obligation to collect Iowa sales
12 tax or Iowa use tax only occurs if the sale is sourced
13 to this state. The application of whether Iowa sales
14 tax applies to sales sourced to Iowa depends upon
15 where the sale is consummated by delivery.

16 1. Sales, excluding leases or rentals other than
17 leases or rentals set out in subsection 2, of products
18 shall be sourced as follows.

19 a. When the product is received by the purchaser
20 at a business location of the seller, the sale is
21 sourced to that business location.

22 b. When the product is not received by the
23 purchaser at a business location of the seller, the
24 sale is sourced to the location where receipt by the
25 purchaser or the purchaser's donee, designated as such
26 by the purchaser, occurs, including the location
27 indicated by instructions for delivery to the
28 purchaser or donee, known to the seller.

29 c. When paragraphs "a" and "b" do not apply, the
30 sale is sourced to the location indicated by an
31 address for the purchaser that is available from the
32 business records of the seller that are maintained in
33 the ordinary course of the seller's business when use
34 of this address does not constitute bad faith.

35 d. When paragraphs "a", "b", and "c" do not apply,
36 the sale is sourced to the location indicated by an
37 address for the purchaser obtained during the
38 consummation of the sale, including the address of a
39 purchaser's payment instrument, if no other address is
40 available, when use of this address does not
41 constitute bad faith.

42 e. When paragraphs "a", "b", "c", and "d" do not
43 apply, including the circumstance where the seller is
44 without sufficient information to apply the previous
45 rules, then the location will be determined by the
46 address from which tangible personal property was
47 shipped, from which the digital good or the computer
48 software delivered electronically was first available
49 for transmission by the seller, or from which the
50 service was provided disregarding for these purposes

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1 any location that merely provided the digital transfer
2 of the product sold.

3 2. The lease or rental of tangible personal
4 property, other than property identified in subsection
5 3 or section 423.16, shall be sourced as follows:

6 a. For a lease or rental that requires recurring
7 periodic payments, the first periodic payment is
8 sourced the same as a retail sale in accordance with
9 the provisions of subsection 1. Periodic payments
10 made subsequent to the first payment are sourced to
11 the primary property location for each period covered
12 by the payment. The primary property location shall
13 be as indicated by an address for the property
14 provided by the lessee that is available to the lessor
15 from its records maintained in the ordinary course of
16 business, when use of this address does not constitute
17 bad faith. The property location shall not be altered
18 by intermittent use at different locations, such as
19 use of business property that accompanies employees on
20 business trips and service calls.

21 b. For a lease or rental that does not require
22 recurring periodic payments, the payment is sourced
23 the same as a retail sale in accordance with the
24 provisions of subsection 1.

25 c. This subsection does not affect the imposition
26 or computation of sales or use tax on leases or
27 rentals based on a lump sum or accelerated basis, or
28 on the acquisition of property for lease.

29 3. The retail sale, including lease or rental, of
30 transportation equipment shall be sourced the same as
31 a retail sale in accordance with the provisions of
32 subsection 1, notwithstanding the exclusion of lease
33 or rental in that subsection. "Transportation
34 equipment" means any of the following:

35 a. Locomotives or railcars that are utilized for
36 the carriage of persons or property in interstate
37 commerce.

38 b. Trucks and truck-tractors with a gross vehicle
39 weight rating of ten thousand one pounds or greater,
40 trailers, semitrailers, or passenger buses that meet
41 both of the following requirements:

42 (1) Are registered through the international
43 registration plan.

44 (2) Are operated under authority of a carrier
45 authorized and certificated by the United States
46 department of transportation or another federal
47 authority to engage in the carriage of persons or
48 property in interstate commerce.

49 c. Aircraft that are operated by air carriers
50 authorized and certificated by the United States

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department of transportation or another federal or a foreign authority to engage in the carriage of persons or property in interstate or foreign commerce.

d. Containers designed for use on and component parts attached or secured on the items set forth in paragraphs "a" through "c".

Sec. ____ NEW SECTION. 423.16 TRANSACTIONS TO WHICH THE GENERAL SOURCING RULES DO NOT APPLY.

Section 423.15 does not apply to sales or use taxes levied on the following:

1. The retail sale or transfer of watercraft, modular homes, manufactured housing, or mobile homes, and the retail sale, excluding lease or rental, of motor vehicles, trailers, semitrailers, or aircraft that do not qualify as transportation equipment, as defined in section 423.15, subsection 3.

2. The lease or rental of motor vehicles, trailers, semitrailers, or aircraft that do not qualify as transportation equipment, as defined in section 423.15, subsection 3, which shall be sourced in accordance with section 423.17.

3. Transactions to which the multiple points use exemption is applicable, which shall be sourced in accordance with section 423.18.

4. Transactions to which direct mail sourcing is applicable, which shall be sourced in accordance with section 423.19.

5. Telecommunications services, as set out in section 423.20, which shall be sourced in accordance with section 423.20, subsection 2.

Sec. ____ NEW SECTION. 423.17 SOURCING RULES FOR VARIOUS TYPES OF LEASED OR RENTED EQUIPMENT WHICH IS NOT TRANSPORTATION EQUIPMENT.

The lease or rental of motor vehicles, trailers, semitrailers, or aircraft that do not qualify as transportation equipment, as defined in section 423.15, subsection 3, shall be sourced as follows:

1. For a lease or rental that requires recurring periodic payments, each periodic payment is sourced to the primary property location. The primary property location shall be as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of this address does not constitute bad faith. This location shall not be altered by intermittent use at different locations.

2. For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale in accordance with the provisions of section 423.15, subsection 1.

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1 3. This section does not affect the imposition or
2 computation of sales or use tax on leases or rentals
3 based on a lump sum or accelerated basis, or on the
4 acquisition of property for lease.
5 Sec. NEW SECTION. 423.18 MULTIPLE POINTS OF
6 USE EXEMPTION FORMS.

7 A business purchaser that is not a holder of a
8 direct pay tax permit pursuant to section 423.36 that
9 knows at the time of its purchase of a digital good,
10 computer software delivered electronically, or a
11 service that the digital good, computer software
12 delivered electronically, or service will be
13 concurrently available for use in more than one
14 jurisdiction shall deliver to the seller in
15 conjunction with its purchase a "multiple points of
16 use" or "MPU" exemption form disclosing this fact.

17 1. Upon receipt of the MPU exemption form, the
18 seller is relieved of all obligation to collect, pay,
19 or remit the applicable tax and the purchaser shall be
20 obligated to collect, pay, or remit the applicable tax
21 on a direct pay basis.

22 2. A purchaser delivering the MPU exemption form
23 may use any reasonable, but consistent and uniform,
24 method of apportionment that is supported by the
25 purchaser's business records as they exist at the time
26 of the consummation of the sale.

27 3. The MPU exemption form will remain in effect
28 for all future sales by the seller to the purchaser
29 except as to the subsequent sale's specific
30 apportionment that is governed by the principle of
31 subsection 2 and the facts existing at the time of the
32 sale until it is revoked in writing.

33 4. A holder of a direct pay tax permit under
34 section 423.36 shall not be required to deliver an MPU
35 exemption form to the seller. A direct pay tax permit
36 holder shall follow the provisions of subsection 2 in
37 apportioning the tax due on a digital good, computer
38 software delivered electronically, or service that
39 will be concurrently available for use in more than
40 one jurisdiction.

41 Sec. NEW SECTION. 423.19 DIRECT MAIL
42 SOURCING.

43 1. Notwithstanding section 423.15, a purchaser of
44 direct mail that is not a holder of a direct pay tax
45 permit pursuant to section 423.36 shall provide to the
46 seller in conjunction with the purchase either a
47 direct mail form or information to show the
48 jurisdictions to which the direct mail is delivered to
49 recipients.

50 a. Upon receipt of the direct mail form, the

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1 seller is relieved of all obligations to collect, pay,
2 or remit the applicable tax and the purchaser is
3 obligated to pay or remit the applicable tax on a
4 direct pay basis. A direct mail form shall remain in
5 effect for all future sales of direct mail by the
6 seller to the purchaser until it is revoked in
7 writing.

8 b. Upon receipt of information from the purchaser
9 showing the jurisdictions to which the direct mail is
10 delivered to recipients, the seller shall collect the
11 tax according to the delivery information provided by
12 the purchaser. In the absence of bad faith, the
13 seller is relieved of any further obligation to
14 collect tax on any transaction where the seller has
15 collected tax pursuant to the delivery information
16 provided by the purchaser.

17 2. If the purchaser of direct mail does not have a
18 direct pay tax permit and does not provide the seller
19 with either a direct mail form or delivery
20 information, as required by subsection 1, the seller
21 shall collect the tax according to section 423.15,
22 subsection 1, paragraph "e". Nothing in this
23 subsection shall limit a purchaser's obligation for
24 sales or use tax to any state to which the direct mail
25 is delivered.

26 3. If a purchaser of direct mail provides the
27 seller with documentation of direct pay authority, the
28 purchaser shall not be required to provide a direct
29 mail form or delivery information to the seller.

30 Sec. NEW SECTION. 423.20 TELECOMMUNICATIONS
31 SERVICE SOURCING.

32 1. As used in this section:

33 a. "Air-to-ground radiotelephone service" means a
34 radio service, as that term is used in 47 C.F.R. }
35 22.99, in which common carriers are authorized to
36 offer and provide radio telecommunications service for
37 hire to subscribers in aircraft.

38 b. "Call-by-call basis" means any method of
39 charging for the telecommunications service where the
40 price is measured by individual calls.

41 c. "Communications channel" means a physical or
42 virtual path of communications over which signals are
43 transmitted between or among customer channel
44 termination points.

45 d. "Customer" means the person or entity that
46 contracts with the seller of the telecommunications
47 service. If the end user of the telecommunications
48 service is not the contracting party, the end user of
49 the telecommunications service is the customer of the
50 telecommunications service, but this sentence only

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- 1 applies for the purpose of sourcing sales of the
2 telecommunications service under this section.
3 "Customer" does not include a reseller of a
4 telecommunications service or for mobile
5 telecommunications service of a serving carrier under
6 an agreement to serve the customer outside the home
7 service provider's licensed service area.
8 e. "Customer channel termination point" means the
9 location where the customer either inputs or receives
10 the communications.
11 f. "End user" means the person who utilizes the
12 telecommunications service. In the case of an entity,
13 "end user" means the individual who utilizes the
14 service on behalf of the entity.
15 g. "Home service provider" means the same as that
16 term is defined in the federal Mobile
17 Telecommunications Sourcing Act, Pub. L. No. 106-252,
18 4 U.S.C. § 124(5).
19 h. "Mobile telecommunications service" means the
20 same as that term is defined in federal Mobile
21 Telecommunications Sourcing Act, Pub. L. No. 106-252,
22 4 U.S.C. § 124(7).
23 i. "Place of primary use" means the street address
24 representative of where the customer's use of the
25 telecommunications service primarily occurs, which
26 must be the residential street address or the primary
27 business street address of the customer. In the case
28 of mobile telecommunications service, "place of
29 primary use" must be within the licensed service area
30 of the home service provider.
31 j. "Postpaid calling service" means the
32 telecommunications service obtained by making a
33 payment on a call-by-call basis either through the use
34 of a credit card or payment mechanism such as a bank
35 card, travel card, credit card, or debit card, or by
36 charge made to a telephone number which is not
37 associated with the origination or termination of the
38 telecommunications service. A "postpaid calling
39 service" includes a telecommunications service that
40 would be a prepaid calling service except it is not
41 exclusively a telecommunications service.
42 k. "Prepaid calling service" means the right to
43 access exclusively telecommunications services, which
44 must be paid for in advance and which enables the
45 origination of calls using an access number or
46 authorization code, whether manually or electronically
47 dialed, and that is sold in predetermined units or
48 dollars of which the amount declines with use in a
49 known amount.
50 l. "Private communication service" means a

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1 telecommunications service that entitles the customer
2 to exclusive or priority use of a communications
3 channel or group of channels between or among
4 termination points, regardless of the manner in which
5 such channel or channels are connected, and includes
6 switching capacity, extension lines, stations, and any
7 other associated services that are provided in
8 connection with the use of such channel or channels.

9 m. "Service address" means one of the following:

10 (1) The location of the telecommunications
11 equipment to which a customer's call is charged and
12 from which the call originates or terminates,
13 regardless of where the call is billed or paid.

14 (2) If the location in subparagraph (1) is not
15 known, "service address" means the origination point
16 of the signal of the telecommunications service first
17 identified by either the seller's telecommunications
18 system or in information received by the seller from
19 its service provider, where the system used to
20 transport such signals is not that of the seller.

21 (3) If the locations in subparagraphs (1) and (2)
22 are not known, the "service address" means the
23 location of the customer's place of primary use.

24 2. Sales of telecommunications services shall be
25 sourced in the following manner:

26 a. Except for the defined telecommunications
27 services in paragraph "c", the sale of
28 telecommunications services sold on a call-by-call
29 basis shall be sourced to one of the following:

30 (1) Each level of taxing jurisdiction where the
31 call originates and terminates in that jurisdiction.

32 (2) Each level of taxing jurisdiction where the
33 call either originates or terminates and in which the
34 service address is also located.

35 b. Except for the defined telecommunications
36 services in paragraph "c", a sale of
37 telecommunications services sold on a basis other than
38 a call-by-call basis is sourced to the customer's
39 place of primary use.

40 c. Sale of the following telecommunications
41 services shall be sourced to each level of taxing
42 jurisdiction as follows:

43 (1) A sale of mobile telecommunications services
44 other than air-to-ground radiotelephone service or
45 prepaid calling service is sourced to the customer's
46 place of primary use as required by the federal Mobile
47 Telecommunications Sourcing Act.

48 (2) A sale of postpaid calling service is sourced
49 to the origination point of the telecommunications
50 signal as first identified by either of the following:

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1 (a) The seller's telecommunications system.
2 (b) Information received by the seller from its
3 service provider, where the system used to transport
4 such signals is not that of the seller.

5 (3) A sale of prepaid calling service is sourced
6 in accordance with section 423.15. However, in the
7 case of a sale of mobile telecommunications services
8 that is a prepaid telecommunications service, the rule
9 provided in section 423.15, subsection 1, paragraph
10 "e", shall include as an option the location
11 associated with the mobile telephone number.

12 (4) A sale of a private telecommunications service
13 is sourced as follows:

14 (a) Service for a separate charge related to a
15 customer channel termination point is sourced to each
16 level of jurisdiction in which such customer channel
17 termination point is located.

18 (b) Service where all customer termination points
19 are located entirely within one jurisdiction or level
20 of jurisdiction is sourced in such jurisdiction in
21 which the customer channel termination points are
22 located.

23 (c) Service for segments of a channel between two
24 customer channel termination points located in
25 different jurisdictions and which segments of a
26 channel are separately charged is sourced fifty
27 percent in each level of jurisdiction in which the
28 customer channel termination points are located.

29 (d) Service for segments of a channel located in
30 more than one jurisdiction or levels of jurisdiction
31 and which segments are not separately billed is
32 sourced in each jurisdiction based on the percentage
33 determined by dividing the number of customer channel
34 termination points in such jurisdiction by the total
35 number of customer channel termination points.

36 Sec. NEW SECTION. 423.21 BAD DEBT
37 DEDUCTIONS.

38 1. For the purposes of this section, "bad debt"
39 means an amount properly calculated pursuant to
40 section 166 of the Internal Revenue Code then adjusted
41 to exclude financing charges or interest, sales or use
42 taxes charged on the purchase price, uncollectible
43 amounts on property that remain in the possession of
44 the seller until the full purchase price is paid,
45 expenses incurred in attempting to collect any debt,
46 and repossessed property.

47 2. In computing the amount of tax due, a seller
48 may deduct bad debts from the total amount upon which
49 the tax is calculated for any return. Any deduction
50 taken or refund paid which is attributed to bad debts

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1 shall not include interest.

2 3. A seller may deduct bad debts on the return for
3 the period during which the bad debt is written off as
4 uncollectible in the seller's books and records and is
5 eligible to be deducted for federal income tax
6 purposes. For purposes of this subsection, a seller
7 who is not required to file federal income tax returns
8 may deduct a bad debt on a return filed for the period
9 in which the bad debt is written off as uncollectible
10 in the seller's books and records and would be
11 eligible for a bad debt deduction for federal income
12 tax purposes if the seller were required to file a
13 federal income tax return.

14 4. If a deduction is taken for a bad debt and the
15 seller subsequently collects the debt in whole or in
16 part, the tax on the amount so collected must be paid
17 and reported on the return filed for the period in
18 which the collection is made.

19 5. A seller may obtain a refund of tax on any
20 amount of bad debt that exceeds the amount of taxable
21 sales within the period allowed for refund claims by
22 section 423.47. However, the period allowed for
23 refund claims shall be measured from the due date of
24 the return on which the bad debt could first be
25 claimed.

26 6. For the purposes of computing a bad debt
27 deduction or reporting a payment received on a
28 previously claimed bad debt, any payments made on a
29 debt or account shall be applied first to the price of
30 the property or service and tax thereon,
31 proportionally, and secondly to interest, service
32 charges, and any other charges.

33 Sec. NEW SECTION. 423.22 TAXATION IN
34 ANOTHER STATE.

35 If any person who causes tangible personal property
36 to be brought into this state or who uses in this
37 state services enumerated in section 423.2 has already
38 paid a tax in another state in respect to the sale or
39 use of the property or the performance of the service,
40 or an occupation tax in respect to the property or
41 service, in an amount less than the tax imposed by
42 subchapter II or III, the provisions of those
43 subchapters shall apply, but at a rate measured by the
44 difference only between the rate fixed by subchapter
45 II or III and the rate by which the previous tax on
46 the sale or use, or the occupation tax, was computed.
47 If the tax imposed and paid in the other state is
48 equal to or more than the tax imposed by those
49 subchapters, then a tax is not due in this state on
50 the personal property or service.

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1 Sec. ____ NEW SECTION. 423.23 SELLERS'
2 AGREEMENTS.

3 Agreements between competing sellers, or the
4 adoption of appropriate rules and regulations by
5 organizations or associations of sellers to provide
6 uniform methods for adding sales or use tax or the
7 average equivalent thereof, and which do not involve
8 price-fixing agreements otherwise unlawful, are
9 expressly authorized and shall be held not in
10 violation of chapter 553 or other antitrust laws of
11 this state. The director shall cooperate with
12 sellers, organizations, or associations in formulating
13 agreements and rules.

14 Sec. ____ NEW SECTION. 423.24 ABSORBING TAX
15 PROHIBITED.

16 A seller shall not advertise or hold out or state
17 to the public or to any purchaser, consumer, or user,
18 directly or indirectly, that the taxes or any parts
19 thereof imposed by subchapter II or III will be
20 assumed or absorbed by the seller or the taxes will
21 not be added to the sales price of the property sold,
22 or if added that the taxes or any part thereof will be
23 refunded. Any person violating any of the provisions
24 of this section within this state is guilty of a
25 simple misdemeanor.

26 Sec. ____ NEW SECTION. 423.25 DIRECTOR'S POWER
27 TO ADOPT RULES.

28 The director shall have the power to adopt rules
29 for adding the taxes imposed by subchapters II and
30 III, or the average equivalents thereof, by providing
31 different methods applying uniformly to retailers
32 within the same general classification for the purpose
33 of enabling the retailers to add and collect, as far
34 as practicable, the amounts of those taxes.

35 Sec. ____ NEW SECTION. 423.26 VEHICLES SUBJECT
36 TO REGISTRATION OR ONLY TO THE ISSUANCE OF TITLE --
37 MANUFACTURED HOUSING.

38 The use tax imposed upon the use of vehicles
39 subject to registration or subject only to the
40 issuance of a certificate of title or imposed upon the
41 use of manufactured housing shall be paid by the owner
42 of the vehicle or of the manufactured housing to the
43 county treasurer or the state department of
44 transportation from whom the registration receipt or
45 certificate of title is obtained. A registration
46 receipt for a vehicle subject to registration or
47 certificate of title shall not be issued until the tax
48 has been paid. The county treasurer or the state
49 department of transportation shall require every
50 applicant for a registration receipt for a vehicle

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1 subject to registration or certificate of title to
2 supply information as the county treasurer or the
3 director deems necessary as to the time of purchase,
4 the purchase price, installed purchase price, and
5 other information relative to the purchase of the
6 vehicle or manufactured housing. On or before the
7 tenth day of each month, the county treasurer or the
8 state department of transportation shall remit to the
9 department the amount of the taxes collected during
10 the preceding month.

11 A person who willfully makes a false statement in
12 regard to the purchase price of a vehicle subject to
13 taxation under this section is guilty of a fraudulent
14 practice. A person who willfully makes a false
15 statement in regard to the purchase price of such a
16 vehicle with the intent to evade the payment of tax
17 shall be assessed a penalty of seventy-five percent of
18 the amount of tax unpaid and required to be paid on
19 the actual purchase price less trade-in allowance.

20 Sec. ____ NEW SECTION. 423.27 MOTOR VEHICLE
21 LEASE TAX.

22 1. The use tax imposed upon the use of leased
23 vehicles subject to registration under chapter 321,
24 with gross vehicle weight ratings of less than sixteen
25 thousand pounds, excluding motorcycles and motorized
26 bicycles, which are leased by a lessor licensed
27 pursuant to chapter 321F for a period of twelve months
28 or more shall be paid by the owner of the vehicle to
29 the county treasurer or state department of
30 transportation from whom the registration receipt or
31 certificate of title is obtained. A registration
32 receipt for a vehicle subject to registration or
33 issuance of a certificate of title shall not be issued
34 until the tax is paid in the initial instance. Tax on
35 the lease transaction that does not require titling or
36 registration of the vehicle shall be remitted to the
37 department. Tax and the reporting of tax due to the
38 department shall be remitted on or before fifteen days
39 from the last day of the month that the vehicle lease
40 tax becomes due. Failure to timely report or remit
41 any of the tax when due shall result in a penalty and
42 interest being imposed on the tax due pursuant to
43 section 423.40, subsection 1, and section 423.42,
44 subsection 1.

45 2. The amount subject to tax shall be computed on
46 each separate lease transaction by taking the total of
47 the lease payments, plus the down payment, and
48 excluding all of the following:

- 49 a. Title fee.
- 50 b. Registration fees.

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- 1 c. Vehicle lease tax pursuant to this section.
2 d. Federal excise taxes attributable to the sale
3 of the vehicle to the owner or to the lease of the
4 vehicle by the owner.
5 e. Optional service or warranty contracts subject
6 to tax pursuant to section 423.2, subsection 1.
7 f. Insurance.
8 g. Manufacturer's rebate.
9 h. Refundable deposit.

10 i. Finance charges, if any, on items listed in
11 paragraphs "a" through "h".
12 If any or all of the items in paragraphs "a"
13 through "i" are excluded from the taxable lease price,
14 the owner shall maintain adequate records of the
15 amounts of those items. If the parties to a lease
16 enter into an agreement providing that the tax imposed
17 under this statute is to be paid by the lessee or
18 included in the monthly lease payments to be paid by
19 the lessee, the total cost of the tax shall not be
20 included in the computation of lease price for the
21 purpose of taxation under this section. The county
22 treasurer, the state department of transportation, or
23 the department of revenue and finance shall require
24 every applicant for a registration receipt for a
25 vehicle subject to tax under this section to supply
26 information as the county treasurer or director deems
27 necessary as to the date of the lease transaction, the
28 lease price, and other information relative to the
29 lease of the vehicle.

30 3. On or before the tenth day of each month, the
31 county treasurer or the state department of
32 transportation shall remit to the department the
33 amount of the taxes collected during the preceding
34 month.

35 4. If the lease is terminated prior to the
36 termination date contained in the lease agreement, no
37 refund shall be allowed for tax previously paid under
38 this section, except as provided in section 322G.4.
39 Sec. NEW SECTION. 423.28 SALES TAX REPORT
40 -- DEDUCTION.

41 Motor vehicle or trailer dealers, in making their
42 reports and returns to the department for the purpose
43 of paying the sales tax, shall be permitted to deduct
44 all sales prices from retail sales of vehicles subject
45 to registration or subject only to the issuance of a
46 certificate of title. Sales prices from sales of
47 vehicles subject to registration or subject only to
48 the issuance of a certificate of title are exempted
49 from the sales tax, but, if required by the director,
50 the sales prices shall be included in the returns made

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1 by motor vehicle or trailer dealers under subchapter
2 II, and proper deductions taken pursuant to this
3 section.

4 Sec. ____ NEW SECTION. 423.29 COLLECTIONS BY
5 SELLERS.

6 Every seller who is a retailer and who is making
7 taxable sales of tangible personal property in Iowa
8 shall, at the time of selling the property, collect
9 the sales tax. Every seller who is a retailer
10 maintaining a place of business in this state and
11 selling tangible personal property for use in Iowa
12 shall, at the time of making the sale, whether within
13 or without the state, collect the use tax. Sellers
14 required to collect sales or use tax shall give to any
15 purchaser a receipt for the tax collected in the
16 manner and form prescribed by the director.

17 Every seller who is a retailer furnishing taxable
18 services in Iowa and every seller who is a retailer
19 maintaining a place of business in this state and
20 furnishing taxable services in Iowa or services
21 outside Iowa if the product or result of the service
22 is used in Iowa shall be subject to the provisions of
23 the preceding paragraph.

24 Sec. ____ NEW SECTION. 423.30 FOREIGN SELLERS
25 NOT REGISTERED UNDER THE AGREEMENT.

26 The director may, upon application, authorize the
27 collection of the use tax by any seller who is a
28 retailer not maintaining a place of business within
29 this state and not registered under the agreement,
30 who, to the satisfaction of the director, furnishes
31 adequate security to ensure collection and payment of
32 the tax. Such sellers shall be issued, without
33 charge, permits to collect tax subject to any
34 regulations which the director shall prescribe. When
35 so authorized, it shall be the duty of foreign sellers
36 to collect the tax upon all tangible personal property
37 sold, to the retailer's knowledge, for use within this
38 state, in the same manner and subject to the same
39 requirements as a retailer maintaining a place of
40 business within this state. The authority and permit
41 may be canceled when, at any time, the director
42 considers the security inadequate, or that tax can
43 more effectively be collected from the person using
44 property in this state.

45 The discretionary power granted in this section is
46 extended to apply in the case of foreign retailers
47 furnishing services enumerated in section 423.2.

48 Sec. ____ NEW SECTION. 423.31 FILING OF SALES
49 TAX RETURNS AND PAYMENT OF SALES TAX.

50 1. Each person subject to this section and section

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1 423.36 and in accordance with the provisions of this
2 section and section 423.36 shall, on or before the
3 last day of the month following the close of each
4 calendar quarter during which such person is or has
5 become or ceased being subject to the provisions of
6 this section and section 423.36, make, sign, and file
7 a return for the calendar quarter in the form as may
8 be required. Returns shall show information relating
9 to sales prices including goods, wares, and services
10 converted to the use of such person, the amounts of
11 sales prices excluded and exempt from the tax, the
12 amounts of sales prices subject to tax, a calculation
13 of tax due, and any other information for the period
14 covered by the return as may be required. Returns
15 shall be signed by the retailer or the retailer's
16 authorized agent and must be certified by the retailer
17 to be correct in accordance with forms and rules
18 prescribed by the director.

19 2. Persons required to file, or committed to file
20 by reason of voluntary action or by order of the
21 department, deposits of taxes due under this
22 subchapter shall be entitled to take credit against
23 the total quarterly amount of tax due such amount as
24 shall have been deposited by such persons during that
25 calendar quarter. The balance remaining due after
26 such credit for deposits shall be entered on the
27 return. However, such person may be granted an
28 extension of time not exceeding thirty days for filing
29 the quarterly return, upon a proper showing of
30 necessity. If an extension is granted, such person
31 shall have paid by the twentieth day of the month
32 following the close of such quarter ninety percent of
33 the estimated tax due.

34 3. The sales tax forms prescribed by the director
35 shall be referred to as "retailers tax deposit".
36 Deposit forms shall be signed by the retailer or the
37 retailer's duly authorized agent, and shall be duly
38 certified by the retailer or agent to be correct. The
39 director may authorize incorporated banks and trust
40 companies or other depositories authorized by law
41 which are depositories or financial agents of the
42 United States, or of this state, to receive any sales
43 tax imposed under this chapter, in the manner, at the
44 times, and under the conditions the director
45 prescribes. The director shall prescribe the manner,
46 times, and conditions under which the receipt of the
47 tax by those depositories is to be treated as payment
48 of the tax to the department.

49 4. Every retailer at the time of making any return
50 required by this section shall compute and pay to the

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1 department the tax due for the preceding period. The
2 tax on sales prices from the sale or rental of
3 tangible personal property under a consumer rental
4 purchase agreement as defined in section 537.3604,
5 subsection 8, is payable in the tax period of receipt.

6 5. Upon making application and receiving approval
7 from the director, a parent corporation and its
8 affiliated corporations that make retail sales of
9 tangible personal property or taxable enumerated
10 services may make deposits and file a consolidated
11 sales tax return for the affiliated group, pursuant to
12 rules adopted by the director. A parent corporation
13 and each affiliate corporation that files a
14 consolidated return are jointly and severally liable
15 for all tax, penalty, and interest found due for the
16 tax period for which a consolidated return is filed or
17 required to be filed.

18 A business required to file a consolidated sales
19 tax return shall file a form entitled "schedule of
20 consolidated business locations" with its quarterly
21 sales tax return that shows the taxpayer's
22 consolidated permit number, the permit number for each
23 Iowa business location, the state sales tax amount by
24 business location, and the amount of state sales tax
25 due on goods consumed that are not assigned to a
26 specific business location. Consolidated quarterly
27 sales tax returns that are not accompanied by the
28 schedule of consolidated business locations form are
29 considered incomplete and are subject to penalty under
30 section 421.27.

31 6. If necessary or advisable in order to insure
32 the payment of the tax, the director may require
33 returns and payment of the tax to be made for other
34 than quarterly periods, the provisions of this
35 section, or other provision to the contrary
36 notwithstanding.

37 Sec. NEW SECTION. 423.32 FILING OF USE TAX
38 RETURNS AND PAYMENT OF USE TAX.

39 1. A retailer maintaining a place of business in
40 this state who is required to collect or a user who is
41 required to pay the use tax or a foreign retailer
42 authorized, pursuant to section 423.30, to collect the
43 use tax, shall remit to the department the amount of
44 tax on or before the last day of the month following
45 each calendar quarterly period. However, a retailer
46 who collects or owes more than fifteen hundred dollars
47 in use taxes in a month shall deposit with the
48 department or in a depository authorized by law and
49 designated by the director, the amount collected or
50 owed, with a deposit form for the month as prescribed

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1 by the director.

2 a. The deposit form is due on or before the
3 twentieth day of the month following the month of
4 collection, except a deposit is not required for the
5 third month of the calendar quarter, and the total
6 quarterly amount, less the amounts deposited for the
7 first two months of the quarter, is due with the
8 quarterly report on the last day of the month
9 following the month of collection. At that time, the
10 retailer shall file with the department a return for
11 the preceding quarterly period in the form prescribed
12 by the director showing the purchase price of the
13 tangible personal property sold by the retailer during
14 the preceding quarterly period, the use of which is
15 subject to the use tax imposed by this chapter, and
16 other information the director deems necessary for the
17 proper administration of the use tax.

18 b. The return shall be accompanied by a remittance
19 of the use tax for the period covered by the return.
20 If necessary in order to ensure payment to the state
21 of the tax, the director may in any or all cases
22 require returns and payments to be made for other than
23 quarterly periods. The director, upon request and a
24 proper showing of necessity, may grant an extension of
25 time not to exceed thirty days for making any return
26 and payment. Returns shall be signed, in accordance
27 with forms and rules prescribed by the director, by
28 the retailer or the retailer's authorized agent, and
29 shall be certified by the retailer or agent to be
30 correct.

31 2. If it is reasonably expected, as determined by
32 rules prescribed by the director, that a retailer's
33 annual sales or use tax liability will not exceed one
34 hundred twenty dollars for a calendar year, the
35 retailer may request and the director may grant
36 permission to the retailer, in lieu of the quarterly
37 filing and remitting requirements set out elsewhere in
38 this section, to file the return required by and remit
39 the sales or use tax due under this section on a
40 calendar-year basis. The return and tax are due and
41 payable no later than January 31 following each
42 calendar year in which the retailer carries on
43 business.

44 3. The director, in cooperation with the
45 department of management, may periodically change the
46 filing and remittance thresholds by administrative
47 rule if in the best interests of the state and
48 taxpayer to do so.

49 Sec. ____ **NEW SECTION. 423.33 LIABILITY OF**
50 **PERSONS OTHER THAN RETAILERS FOR PAYMENT OF SALES OR**

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1 USE TAX.

2 1. LIABILITY OF PURCHASER FOR SALES TAX. If a
3 purchaser fails to pay sales tax to the retailer
4 required to collect the tax, then in addition to all
5 of the rights, obligations, and remedies provided, the
6 tax is payable by the purchaser directly to the
7 department, and sections 423.31, 423.32, 423.37,
8 423.38, 423.39, 423.40, 423.41, and 423.42 apply to
9 the purchaser. For failure to pay, the retailer and
10 purchaser are liable, unless the circumstances
11 described in section 421.60, subsection 2, paragraph
12 "m", or section 423.45, subsection 4, paragraph "b" or
13 "e", or subsection 5, paragraph "c" or "e", are
14 applicable.

15 2. IMMEDIATE SUCCESSOR LIABILITY FOR SALES OR USE

16 TAX. If a retailer sells the retailer's business or
17 stock of goods or quits the business, the retailer
18 shall prepare a final return and pay all sales or use
19 tax due within the time required by law. The
20 immediate successor to the retailer, if any, shall
21 withhold a sufficient portion of the purchase price,
22 in money or money's worth, to pay the amount of
23 delinquent tax, interest, or penalty due and unpaid.
24 If the immediate successor of the business or stock of
25 goods intentionally fails to withhold the amount due
26 from the purchase price as provided in this
27 subsection, the immediate successor is personally
28 liable for the payment of delinquent taxes, interest,
29 and penalty accrued and unpaid on account of the
30 operation of the business by the immediate former
31 retailer, except when the purchase is made in good
32 faith as provided in section 421.28. However, a
33 person foreclosing on a valid security interest or
34 retaking possession of premises under a valid lease is
35 not an "immediate successor" for purposes of this
36 section. The department may waive the liability of
37 the immediate successor under this subsection if the
38 immediate successor exercised good faith in
39 establishing the amount of the previous liability.

40 3. EVENT SPONSOR'S LIABILITY FOR SALES TAX. A

41 person sponsoring a flea market or a craft, antique,
42 coin, or stamp show or similar event shall obtain from
43 every retailer selling tangible personal property or
44 taxable services at the event proof that the retailer
45 possesses a valid sales tax permit or secure from the
46 retailer a statement, taken in good faith, that
47 property or services offered for sale are not subject
48 to sales tax. Failure to do so renders a sponsor of
49 the event liable for payment of any sales tax,
50 interest, and penalty due and owing from any retailer

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1 selling property or services at the event. Sections
2 423.31, 423.32, 423.37, 423.38, 423.39, 423.40,
3 423.41, and 423.42 apply to the sponsors. For
4 purposes of this subsection, a person sponsoring a
5 flea market or a craft, antique, coin, or stamp show
6 or similar event does not include an organization
7 which sponsors an event less than three times a year
8 or a state, county, or district agricultural fair.

9 Sec. . NEW SECTION. 423.34 LIABILITY OF USER.

10 Any person who uses any property or services
11 enumerated in section 423.2 upon which the use tax has
12 not been paid, either to the county treasurer or to a
13 retailer or direct to the department as required by
14 this subchapter, shall be liable for the payment of
15 tax, and shall on or before the last day of the month
16 next succeeding each quarterly period pay the use tax
17 upon all property or services used by the person
18 during the preceding quarterly period in the manner
19 and accompanied by such returns as the director shall
20 prescribe. All of the provisions of sections 423.32
21 and 423.33 with reference to the returns and payments
22 shall be applicable to the returns and payments
23 required by this section.

24 Sec. . NEW SECTION. 423.35 POSTING OF BOND TO
25 SECURE PAYMENT.

26 The director may, when necessary and advisable in
27 order to secure the collection of the sales or use
28 tax, authorize any person subject to either tax, and
29 any retailer required or authorized to collect those
30 taxes pursuant to the provisions of section 423.14, to
31 file with the department a bond, issued by a surety
32 company authorized to transact business in this state
33 and approved by the insurance commissioner as to
34 solvency and responsibility, in an amount as the
35 director may fix, to secure the payment of any tax,
36 interest, or penalties due or which may become due
37 from such person. In lieu of a bond, securities
38 approved by the director, in an amount which the
39 director may prescribe, may be deposited with the
40 department, which securities shall be kept in the
41 custody of the department and may be sold by the
42 director at public or private sale, without notice to
43 the depositor, if it becomes necessary to do so in
44 order to recover any tax, interest, or penalties due.
45 Upon the sale, the surplus, if any, above the amounts
46 due under this chapter shall be returned to the person
47 who deposited the securities.

48 Sec. . NEW SECTION. 423.36 PERMITS REQUIRED
49 TO COLLECT SALES OR USE TAX - APPLICATIONS -
50 REVOCATION.

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1 1. A person shall not engage in or transact
2 business as a retailer making taxable sales of
3 tangible personal property or furnishing services
4 within this state or as a retailer making taxable
5 sales of tangible personal property or furnishing
6 services for use within this state, unless a permit
7 has been issued to the retailer under this section,
8 except as provided in subsection 6. Every person
9 desiring to engage in or transact business as a
10 retailer shall file with the department an application
11 for a permit to collect sales or use tax. Every
12 application for a sales or use tax permit shall be
13 made upon a form prescribed by the director and shall
14 set forth any information the director may require.
15 The application shall be signed by an owner of the
16 business if a natural person; in the case of a
17 retailer which is an association or partnership, by a
18 member or partner; and in the case of a retailer which
19 is a corporation, by an executive officer or some
20 person specifically authorized by the corporation to
21 sign the application, to which shall be attached the
22 written evidence of the person's authority.

23 2. To collect sales or use tax, the applicant must
24 have a permit for each place of business in the state
25 of Iowa. The department may deny a permit to an
26 applicant who is substantially delinquent in paying a
27 tax due, or the interest or penalty on the tax,
28 administered by the department at the time of
29 application. If the applicant is a partnership, a
30 permit may be denied if a partner is substantially
31 delinquent in paying any delinquent tax, penalty, or
32 interest. If the applicant is a corporation, a permit
33 may be denied if any officer having a substantial
34 legal or equitable interest in the ownership of the
35 corporation owes any delinquent tax, penalty, or
36 interest.

37 3. The department shall grant and issue to each
38 applicant a permit for each place of business in this
39 state where sales or use tax is collected. A permit
40 is not assignable and is valid only for the person in
41 whose name it is issued and for the transaction of
42 business at the place designated or at a place of
43 relocation within the state if the ownership remains
44 the same.

45 If an applicant is making sales outside Iowa for
46 use in this state or furnishing services outside Iowa,
47 the product or result of which will be used in this
48 state, that applicant shall be issued one use tax
49 permit by the department applicable to these out-of-
50 state sales or services.

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1 4. Permits issued under this section are valid and
2 effective until revoked by the department.
3 5. If the holder of a permit fails to comply with
4 any of the provisions of this subchapter or of
5 subchapter II or III or any order or rule of the
6 department adopted under those subchapters or is
7 substantially delinquent in the payment of a tax
8 administered by the department or the interest or
9 penalty on the tax, or if the person is a corporation
10 and if any officer having a substantial legal or
11 equitable interest in the ownership of the corporation
12 owes any delinquent tax of the permit-holding
13 corporation, or interest or penalty on the tax,
14 administered by the department, the director may
15 revoke the permit. The director shall send notice by
16 mail to a permit holder informing that person of the
17 director's intent to revoke the permit and of the
18 permit holder's right to a hearing on the matter. If
19 the permit holder petitions the director for a hearing
20 on the proposed revocation, after giving ten days'
21 notice of the time and place of the hearing in
22 accordance with section 17A.18, subsection 3, the
23 matter may be heard and a decision rendered. The
24 director may restore permits after revocation. The
25 director shall adopt rules setting forth the period of
26 time a retailer must wait before a permit may be
27 restored or a new permit may be issued. The waiting
28 period shall not exceed ninety days from the date of
29 the revocation of the permit.
30 6. Sellers who are not regularly engaged in
31 selling at retail and do not have a permanent place of
32 business, but who are temporarily engaged in selling
33 from trucks, portable roadside stands, concessionaires
34 at state, county, district, or local fairs, carnivals,
35 or the like, shall report and remit the sales tax on a
36 temporary basis, under rules the director shall
37 provide for the efficient collection of the sales tax.
38 This subsection applies to sellers who are temporarily
39 engaged in furnishing services.
40 Persons engaged in selling tangible personal
41 property or furnishing services shall not be required
42 to obtain or retain a sales tax permit for a place of
43 business at which taxable sales of tangible personal
44 property or taxable performance of services will not
45 occur.
46 7. The provisions of subsection 1, dealing with
47 the lawful right of a retailer to transact business,
48 as applicable, apply to persons having receipts from
49 furnishing services enumerated in section 423.2,
50 except that a person holding a permit pursuant to

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1 subsection 1 shall not be required to obtain any
2 separate sales tax permit for the purpose of engaging
3 in business involving the services.
4 8. a. Except as provided in paragraph "b",
5 purchasers, users, and consumers of tangible personal
6 property or enumerated services taxed pursuant to
7 subchapter II or III of this chapter or chapters 423B
8 and 423E may be authorized, pursuant to rules adopted
9 by the director, to remit tax owed directly to the
10 department instead of the tax being collected and paid
11 by the seller. To qualify for a direct pay tax
12 permit, the purchaser, user, or consumer must accrue a
13 tax liability of more than four thousand dollars in
14 tax under subchapters II and III in a semimonthly
15 period and make deposits and file returns pursuant to
16 section 423.31. This authority shall not be granted
17 or exercised except upon application to the director
18 and then only after issuance by the director of a
19 direct pay tax permit.

20 b. The granting of a direct pay tax permit is not
21 authorized for any of the following:

- 22 (1) Taxes imposed on the sales, furnishing, or
23 service of gas, electricity, water, heat, pay
24 television service, and communication service.
25 (2) Taxes imposed under sections 423.26 and 423.27
26 and chapter 423C.

27 Sec. . NEW SECTION. 423.37 FAILURE TO FILE
28 SALES OR USE TAX RETURNS – INCORRECT RETURNS.

29 1. As soon as practicable after a return is filed
30 and in any event within three years after the return
31 is filed, the department shall examine it, assess and
32 determine the tax due if the return is found to be
33 incorrect, and give notice to the person liable for
34 the tax of the assessment and determination as
35 provided in subsection 2. The period for the
36 examination and determination of the correct amount of
37 tax is unlimited in the case of a false or fraudulent
38 return made with the intent to evade tax or in the
39 case of a failure to file a return.

40 2. If a return required by this subchapter is not
41 filed, or if a return when filed is incorrect or
42 insufficient and the maker fails to file a corrected
43 or sufficient return within twenty days after the same
44 is required by notice from the department, the
45 department shall determine the amount of tax due from
46 information as the department may be able to obtain
47 and, if necessary, may estimate the tax on the basis
48 of external indices, such as number of employees of
49 the person concerned, rentals paid by the person,
50 stock on hand, or other factors. The department shall

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1 give notice of the determination to the person liable
2 for the tax. The determination shall fix the tax
3 unless the person against whom it is assessed shall,
4 within sixty days after the giving of notice of the
5 determination, apply to the director for a hearing or
6 unless the taxpayer contests the determination by
7 paying the tax, interest, and penalty and timely
8 filing a claim for refund. At the hearing evidence
9 may be offered to support the determination or to
10 prove that it is incorrect. After the hearing the
11 director shall give notice of the decision to the
12 person liable for the tax.

13 3. The three-year period of limitation provided in
14 subsection 1 may be extended by a taxpayer by signing
15 a waiver agreement form to be provided by the
16 department. The agreement shall stipulate the period
17 of extension and the tax period to which the extension
18 applies. The agreement shall also provide that a
19 claim for refund may be filed by the taxpayer at any
20 time during the period of extension.

21 Sec. NEW SECTION. 423.38 JUDICIAL REVIEW.

22 1. Judicial review of actions of the director may
23 be sought in accordance with the terms of the Iowa
24 administrative procedure Act.

25 2. For cause and upon a showing by the director
26 that collection of the tax in dispute is in doubt, the
27 court may order the petitioner to file with the clerk
28 a bond for the use of the respondent, with sureties
29 approved by the clerk, in the amount of tax appealed
30 from, conditioned that the petitioner shall perform
31 the orders of the court.

32 3. An appeal may be taken by the taxpayer or the
33 director to the supreme court of this state
34 irrespective of the amount involved.

35 Sec. NEW SECTION. 423.39 SERVICE OF
36 NOTICES.

37 1. A notice authorized or required under this
38 subchapter may be given by mailing the notice to the
39 person for whom it is intended, addressed to that
40 person at the address given in the last return filed
41 by the person pursuant to this subchapter, or if no
42 return has been filed, then to any address obtainable.
43 The mailing of the notice is presumptive evidence of
44 the receipt of the notice by the person to whom
45 addressed. Any period of time which is determined
46 according to this subchapter by the giving of notice
47 commences to run from the date of mailing of the
48 notice.

49 2. The provisions of the Code relative to the
50 limitation of time for the enforcement of a civil

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1 remedy shall not apply to any proceeding or action
2 taken to levy, appraise, assess, determine, or enforce
3 the collection of any tax or penalty provided by this
4 chapter.

5 Sec. ____ **NEW SECTION. 423.40 PENALTIES -**
6 **OFFENSES - LIMITATION.**

7 1. In addition to the sales or use tax or
8 additional sales or use tax, the taxpayer shall pay a
9 penalty as provided in section 421.27. The taxpayer
10 shall also pay interest on the sales or use tax or
11 additional sales or use tax at the rate in effect
12 under section 421.7 for each month counting each
13 fraction of a month as an entire month, computed from
14 the date the semimonthly or monthly tax deposit form
15 or return was required to be filed. The penalty and
16 interest shall be paid to the department and disposed
17 of in the same manner as other receipts under this
18 subchapter. Unpaid penalties and interest may be
19 enforced in the same manner as the taxes imposed by
20 this chapter.

21 2. a. Any person who knowingly sells tangible
22 personal property, tickets or admissions to places of
23 amusement and athletic events, or gas, water,
24 electricity, or communication service at retail, or
25 engages in the furnishing of services enumerated in
26 section 423.2, in this state without procuring a
27 permit to collect tax, as provided in section 423.36,
28 or who violates section 423.24 and the officers of any
29 corporation who so act are guilty of a serious
30 misdemeanor.

31 b. A person who knowingly sells tangible personal
32 property, tickets or admissions to places of amusement
33 and athletic events, or gas, water, electricity, or
34 communication service at retail, or engages in the
35 furnishing of services enumerated in section 423.2, in
36 this state after the person's sales tax permit has
37 been revoked and before it has been restored as
38 provided in section 423.36, subsection 5, and the
39 officers of any corporation who so act are guilty of
40 an aggravated misdemeanor.

41 3. A person who willfully attempts in any manner
42 to evade any tax imposed by this chapter or the
43 payment of the tax or a person who makes or causes to
44 be made a false or fraudulent semimonthly or monthly
45 tax deposit form or return with intent to evade any
46 tax imposed by subchapter II or III or the payment of
47 the tax is guilty of a class "D" felony.

48 4. The certificate of the director to the effect
49 that a tax has not been paid, that a return has not
50 been filed, or that information has not been supplied

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1 pursuant to the provisions of this subchapter shall be
2 prima facie evidence thereof.

3 5. A person required to pay sales or use tax, or
4 to make, sign, or file a tax deposit form or return or
5 supplemental return, who willfully makes a false or
6 fraudulent tax deposit form or return, or willfully
7 fails to pay at least ninety percent of the tax or
8 willfully fails to make, sign, or file the tax deposit
9 form or return, at the time required by law, is guilty
10 of a fraudulent practice.

11 6. A prosecution for an offense specified in this
12 section shall be commenced within six years after its
13 commission.

14 Sec. NEW SECTION. 423.41 BOOKS -
15 EXAMINATION.

16 Every retailer required or authorized to collect
17 taxes imposed by this chapter and every person using
18 in this state tangible personal property, services, or
19 the product of services shall keep records, receipts,
20 invoices, and other pertinent papers as the director
21 shall require, in the form that the director shall
22 require, for as long as the director has the authority
23 to examine and determine tax due. The director or any
24 duly authorized agent of the department may examine
25 the books, papers, records, and equipment of any
26 person either selling tangible personal property or
27 services or liable for the tax imposed by this
28 chapter, and investigate the character of the business
29 of any person in order to verify the accuracy of any
30 return made, or if a return was not made by the
31 person, ascertain and determine the amount due under
32 this chapter. These books, papers, and records shall
33 be made available within this state for examination
34 upon reasonable notice when the director deems it
35 advisable and so orders. The preceding requirements
36 shall likewise apply to users and persons furnishing
37 services enumerated in section 423.2.

38 Sec. NEW SECTION. 423.42 STATUTES
39 APPLICABLE.

40 1. The director shall administer the taxes imposed
41 by subchapters II and III in the same manner and
42 subject to all the provisions of, and all of the
43 powers, duties, authority, and restrictions contained
44 in, section 422.25, subsection 4, section 422.30, and
45 sections 422.67 through 422.75.

46 2. All the provisions of section 422.26 shall
47 apply in respect to the taxes and penalties imposed by
48 subchapters II and III and this subchapter, except
49 that, as applied to any tax imposed by subchapters II
50 and III, the lien provided in section 422.26 shall be

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1 prior and paramount over all subsequent liens upon any
2 personal property within this state, or right to such
3 personal property, belonging to the taxpayer without
4 the necessity of recording as provided in section
5 422.26. The requirements for recording shall, as
6 applied to the taxes imposed by subchapters II and
7 III, apply only to the liens upon real property. When
8 requested to do so by any person from whom a taxpayer
9 is seeking credit, or with whom the taxpayer is
10 negotiating the sale of any personal property, or by
11 any other person having a legitimate interest in such
12 information, the director shall, upon being satisfied
13 that such a situation exists, inform that person as to
14 the amount of unpaid taxes due by such taxpayer under
15 the provisions of subchapters II and III. The giving
16 of this information under these circumstances shall
17 not be deemed a violation of section 422.72 as applied
18 to subchapters II and III.

19 Sec. ____ NEW SECTION. 423.43 DEPOSIT OF REVENUE
20 - APPROPRIATIONS.

21 Except as otherwise provided in section 312.2,
22 subsection 15, all revenues derived from the use tax
23 on motor vehicles, trailers, and motor vehicle
24 accessories and equipment as collected pursuant to
25 sections 423.26 and 423.27 shall be deposited and
26 credited to the road use tax fund and shall be used
27 exclusively for the construction, maintenance, and
28 supervision of public highways.

29 1. Notwithstanding any provision of this section
30 which provides that all revenues derived from the use
31 tax on motor vehicles, trailers, and motor vehicle
32 accessories and equipment as collected pursuant to
33 sections 423.26 and 423.27 shall be deposited and
34 credited to the road use tax fund, eighty percent of
35 the revenues shall be deposited and credited as
36 follows:

37 a. Twenty-five percent of all such revenue, up to
38 a maximum of four million two hundred fifty thousand
39 dollars per quarter, shall be deposited into and
40 credited to the Iowa comprehensive petroleum
41 underground storage tank fund created in section
42 455G.3, and the moneys so deposited are a continuing
43 appropriation for expenditure under chapter 455G, and
44 moneys so appropriated shall not be used for other
45 purposes.

46 b. Any such revenues remaining shall be credited
47 to the road use tax fund.

48 2. Notwithstanding any other provision of this
49 section that provides that all revenue derived from
50 the use tax on motor vehicles, trailers, and motor

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1 vehicle accessories and equipment as collected
2 pursuant to section 423.26 shall be deposited and
3 credited to the road use tax fund, twenty percent of
4 the revenues shall be credited and deposited as
5 follows: one-half to the road use tax fund and one-
6 half to the primary road fund to be used for the
7 commercial and industrial highway network.

8 3. For the fiscal year beginning July 1, 2004, and
9 each subsequent fiscal year, revenues arising under
10 the operation of this chapter which are derived from
11 the tax imposed on remote sales shall be deposited
12 into the remote sales tax fund created in section
13 423.60 in an amount equal to the excess of the
14 revenues derived from the tax imposed on remote sales
15 during the fiscal year over the revenues derived from
16 the tax imposed on remote sales during the fiscal year
17 beginning July 1, 2003.

18 4. All other revenue arising under the operation
19 of this chapter shall be credited to the general fund
20 of the state.

21 Sec. __. NEW SECTION. 423.44 REIMBURSEMENT FOR
22 PRIMARY ROAD FUND.

23 .From moneys deposited into the road use tax fund,
24 the department may credit to the primary road fund any
25 amount of revenues derived from the use tax on motor
26 vehicles, trailers, and motor vehicle accessories and
27 equipment as collected pursuant to sections 423.26 and
28 423.27 to the extent necessary to reimburse that fund
29 for the expenditures not otherwise eligible to be made
30 from the primary road fund, which are made for
31 repairing, improving, and maintaining bridges over the
32 rivers bordering the state. Expenditures for those
33 portions of bridges within adjacent states may be
34 included when they are made pursuant to an agreement
35 entered into under section 313.63, 313A.34, or 314.10.

36 Sec. __. NEW SECTION. 423.45 REFUNDS -
37 EXEMPTION CERTIFICATES.

38 1. If an amount of tax represented by a retailer
39 to a consumer or user as constituting tax due is
40 computed upon a sales price that is not taxable or the
41 amount represented is in excess of the actual taxable
42 amount and the amount represented is actually paid by
43 the consumer or user to the retailer, the excess
44 amount of tax paid shall be returned to the consumer
45 or user upon notification to the retailer by the
46 department that an excess payment exists.

47 2. If an amount of tax represented by a retailer
48 to a consumer or user as constituting tax due is
49 computed upon a sales price that is not taxable or the
50 amount represented is in excess of the actual taxable

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1 amount and the amount represented is actually paid by
2 the consumer or user to the retailer, the excess
3 amount of tax paid shall be returned to the consumer
4 or user upon proper notification to the retailer by
5 the consumer or user that an excess payment exists.
6 "Proper" notification is written notification which
7 allows a retailer at least sixty days to respond and
8 which contains enough information to allow a retailer
9 to determine the validity of a consumer's or user's
10 claim that an excess amount of tax has been paid. No
11 cause of action shall accrue against a retailer for
12 excess tax paid until sixty days after proper notice
13 has been given the retailer by the consumer or user.

14 3. In the circumstances described in subsections 1
15 and 2, a retailer has the option to either return any
16 excess amount of tax paid to a consumer or user, or to
17 remit the amount which a consumer or user has paid to
18 the retailer to the department.

19 4. a. The department shall issue or the seller
20 may separately provide exemption certificates in the
21 form prescribed by the director, including
22 certificates not made of paper, which conform to the
23 requirements of paragraph "c", to assist retailers in
24 properly accounting for nontaxable sales of tangible
25 personal property or services to purchasers for a
26 nontaxable purpose. The department shall also allow
27 the use of exemption certificates for those
28 circumstances in which a sale is taxable but the
29 seller is not obligated to collect tax from the buyer.

30 b. The sales tax liability for all sales of
31 tangible personal property and all sales of services
32 is upon the seller and the purchaser unless the seller
33 takes in good faith from the purchaser a valid
34 exemption certificate stating under penalty of perjury
35 that the purchase is for a nontaxable purpose and is
36 not a retail sale as defined in section 423.1, or the
37 seller is not obligated to collect tax due, or unless
38 the seller takes a fuel exemption certificate pursuant
39 to subsection 5. If the tangible personal property or
40 services are purchased tax free pursuant to a valid
41 exemption certificate which is taken in good faith by
42 the seller, and the tangible personal property or
43 services are used or disposed of by the purchaser in a
44 nonexempt manner, the purchaser is solely liable for
45 the taxes and shall remit the taxes directly to the
46 department and sections 423.31, 423.32, 423.37,
47 423.38, 423.39, 423.40, 423.41, and 423.42 shall apply
48 to the purchaser.

49 c. A valid exemption certificate is an exemption
50 certificate which is complete and correct according to

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- 1 the requirements of the director.
- 2 d. A valid exemption certificate is taken in good
3 faith by the seller when the seller has exercised that
4 caution and diligence which honest persons of ordinary
5 prudence would exercise in handling their own business
6 affairs, and includes an honesty of intention and
7 freedom from knowledge of circumstances which ought to
8 put one upon inquiry as to the facts. In order for a
9 seller to take a valid exemption certificate in good
10 faith, the seller must exercise reasonable prudence to
11 determine the facts supporting the valid exemption
12 certificate, and if any facts upon such certificate
13 would lead a reasonable person to further inquiry,
14 such inquiry must be made with an honest intent to
15 discover the facts.
- 16 e. If the circumstances change and as a result the
17 tangible personal property or services are used or
18 disposed of by the purchaser in a nonexempt manner or
19 the purchaser becomes obligated to pay the tax, the
20 purchaser is liable solely for the taxes and shall
21 remit the taxes directly to the department in
22 accordance with this subsection.
- 23 5. a. The department shall issue or the seller
24 may separately provide fuel exemption certificates in
25 the form prescribed by the director.
- 26 b. For purposes of this subsection:
- 27 (1) "Fuel" includes gas, electricity, water, heat,
28 steam, and any other tangible personal property
29 consumed in creating heat, power, or steam.
- 30 (2) "Fuel consumed in processing" means fuel used
31 or consumed for processing including grain drying, for
32 providing heat or cooling for livestock buildings or
33 for greenhouses or buildings or parts of buildings
34 dedicated to the production of flowering, ornamental,
35 or vegetable plants intended for sale in the ordinary
36 course of business, for use in aquaculture production,
37 or for generating electric current, or in implements
38 of husbandry engaged in agricultural production.
- 39 (3) "Fuel exemption certificate" means an
40 exemption certificate given by the purchaser under
41 penalty of perjury to assist retailers in properly
42 accounting for nontaxable sales of fuel consumed in
43 processing.
- 44 (4) "Substantial change" means a change in the use
45 or disposition of tangible personal property and
46 services by the purchaser such that the purchaser pays
47 less than ninety percent of the purchaser's actual
48 sales tax liability. A change includes a misstatement
49 of facts in an application made pursuant to paragraph
50 "d" or in a fuel exemption certificate.

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1 c. The seller may accept a completed fuel
2 exemption certificate, as prepared by the purchaser,
3 for three years unless the purchaser files a new
4 completed exemption certificate. If the fuel is
5 purchased tax free pursuant to a fuel exemption
6 certificate which is taken by the seller, and the fuel
7 is used or disposed of by the purchaser in a nonexempt
8 manner, the purchaser is solely liable for the taxes,
9 and shall remit the taxes directly to the department
10 and sections 423.31, 423.32, 423.37, 423.38, 423.39,
11 423.40, 423.41, and 423.42 shall apply to the
12 purchaser.

13 d. The purchaser may apply to the department for
14 its review of the fuel exemption certificate. In this
15 event, the department shall review the fuel exemption
16 certificate within twelve months from the date of
17 application and determine the correct amount of the
18 exemption. If the amount determined by the department
19 is different than the amount that the purchaser claims
20 is exempt, the department shall promptly notify the
21 purchaser of the determination. Failure of the
22 department to make a determination within twelve
23 months from the date of application shall constitute a
24 determination that the fuel exemption certificate is
25 correct as submitted. A determination of exemption by
26 the department is final unless the purchaser appeals
27 to the director for a revision of the determination
28 within sixty days after the date of the notice of
29 determination. The director shall grant a hearing,
30 and upon the hearing, the director shall determine the
31 correct exemption and notify the purchaser of the
32 decision by mail. The decision of the director is
33 final unless the purchaser seeks judicial review of
34 the director's decision under section 423.38 within
35 sixty days after the date of the notice of the
36 director's decision. Unless there is a substantial
37 change, the department shall not impose penalties
38 pursuant to section 423.40 both retroactively to
39 purchases made after the date of application and
40 prospectively until the department gives notice to the
41 purchaser that a tax or additional tax is due, for
42 failure to remit any tax due which is in excess of a
43 determination made under this section. A
44 determination made by the department pursuant to this
45 subsection does not constitute an audit for purposes
46 of section 423.37.

47 e. If the circumstances change and the fuel is
48 used or disposed of by the purchaser in a nonexempt
49 manner, the purchaser is solely liable for the taxes
50 and shall remit the taxes directly to the department

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1 in accordance with paragraph "c".
2 f. The purchaser shall attach documentation to the
3 fuel exemption certificate which is reasonably
4 necessary to support the exemption for fuel consumed
5 in processing. If the purchaser files a new exemption
6 certificate with the seller, documentation shall not
7 be required if the purchaser previously furnished the
8 seller with this documentation and substantial change
9 has not occurred since that documentation was
10 furnished or if fuel consumed in processing is
11 separately metered and billed by the seller.

12 6. Nothing in this section authorizes any cause of
13 action by any person to recover sales or use taxes
14 directly from the state or extends any person's time
15 to seek a refund of sales or use taxes which have been
16 collected and remitted to the state.

17 Sec. NEW SECTION. 423.46 RATE AND BASE
18 CHANGES.

19 The department shall make a reasonable effort to
20 provide sellers with as much advance notice as
21 practicable of a rate change and to notify sellers of
22 legislative changes in the tax base and amendments to
23 sales and use tax rules. Failure of a seller to
24 receive notice or failure of this state to provide
25 notice or limit the effective date of a rate change
26 shall not relieve the seller of its obligation to
27 collect sales or use taxes for this state.

28 Sec. NEW SECTION. 423.47 REFUNDS AND
29 CREDITS.

30 If it shall appear that, as a result of mistake, an
31 amount of tax, penalty, or interest has been paid
32 which was not due under the provisions of this
33 chapter, such amount shall be credited against any tax
34 due, or to become due, on the books of the department
35 from the person who made the erroneous payment, or
36 such amount shall be refunded to such person by the
37 department. A claim for refund or credit that has not
38 been filed with the department within three years
39 after the tax payment for which a refund or credit is
40 claimed became due, or one year after such tax payment
41 was made, whichever time is the later, shall not be
42 allowed by the director.

43 SUBCHAPTER VI

44 SALES AND USE TAX ACT - ADMINISTRATION OF
45 RETAILERS REGISTERED VOLUNTARILY UNDER THE
46 AGREEMENT

47 Sec. NEW SECTION. 423.48 RESPONSIBILITIES
48 AND RIGHTS OF SELLERS REGISTERED UNDER THE AGREEMENT.

49 1. By registering under the agreement, the seller
50 agrees to collect and remit sales and use taxes for

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- 1 all its taxable Iowa sales. Iowa's withdrawal from
- 2 the agreement or revocation of its membership in the
- 3 agreement shall not relieve a seller from its
- 4 responsibility to remit taxes previously collected on
- 5 behalf of this state.
- 6 2. The following provisions apply to any seller
- 7 who registers under the agreement:
- 8 a. The seller may register on-line.
- 9 b. Registration under the agreement and the
- 10 collection of Iowa sales and use taxes shall not be
- 11 used as factors in determining whether the seller has
- 12 nexus with Iowa for any tax.
- 13 c. If registered under the agreement with any
- 14 other member state, the seller is considered to be
- 15 registered in Iowa.
- 16 d. The seller is not required to pay registration
- 17 fees or other charges.
- 18 e. A written signature from the seller is not
- 19 required.
- 20 f. The seller may register by way of an agent.
- 21 The agent's appointment shall be in writing and
- 22 submitted to the department if requested by the
- 23 department.
- 24 g. The seller may cancel its registration at any
- 25 time under procedures adopted by the governing board
- 26 established pursuant to the agreement. Cancellation
- 27 does not relieve the seller of its liability for
- 28 remitting any Iowa taxes collected.
- 29 3. The following additional responsibilities and
- 30 rights apply to model sellers:
- 31 a. A model 1 seller's obligation to calculate,
- 32 collect, and remit sales and use taxes shall be
- 33 performed by its certified service provider, except
- 34 for the seller's obligation to remit tax on its own
- 35 purchases. As the seller's agent, the certified
- 36 service provider is liable for its model 1 seller's
- 37 sales and use tax due Iowa on all sales transactions
- 38 it processes for the seller except as set out in this
- 39 section. A seller that contracts with a certified
- 40 service provider is not liable to the state for sales
- 41 or use tax due on transactions processed by the
- 42 certified service provider unless the seller
- 43 misrepresents the types of items or services it sells
- 44 or commits fraud. In the absence of probable cause to
- 45 believe that the seller has committed fraud or made a
- 46 material misrepresentation, the seller is not subject
- 47 to audit on the transactions processed by the
- 48 certified service provider. A model 1 seller is
- 49 subject to audit for transactions not processed by the
- 50 certified service provider. The director is

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1 authorized to perform a system check of the model 1
2 seller and review the seller's procedures to determine
3 if the certified service provider's system is
4 functioning properly and the extent to which the
5 seller's transactions are being processed by the
6 certified service provider.

7 b. A model 2 seller shall calculate the amount of
8 tax due on a transaction by the use of a certified
9 automated system, but shall collect and remit tax on
10 its own sales. A person that provides a certified
11 automated system is responsible for the proper
12 functioning of that system and is liable to this state
13 for underpayments of tax attributable to errors in the
14 functioning of the certified automated system. A
15 seller that uses a certified automated system remains
16 responsible and is liable to the state for reporting
17 and remitting tax.

18 c. A model 3 seller shall use its own proprietary
19 automated system to calculate tax due and collect and
20 remit tax on its own sales. A model 3 seller is
21 liable for the failure of its proprietary automated
22 system to meet the applicable performance standard.

23 Sec. NEW SECTION. 423.49 RETURNS.

24 1. All model 1, 2, or 3 sellers are subject to all
25 of the following return requirements:

26 a. The seller is required to file only one return
27 per month for this state and for all taxing
28 jurisdictions within this state.

29 b. The date for filing returns shall be determined
30 under rules adopted by the director. However, in no
31 case shall the return be due earlier than the
32 twentieth day of the following month.

33 c. The director shall request additional
34 information returns. These returns shall not be
35 required more frequently than every six months.

36 2. Any registered seller which does not have a
37 legal obligation to register in this state and is not
38 a model 1, 2, or 3 seller is subject to all of the
39 following return requirements:

40 a. The seller is required to file a return within
41 one year of the month of initial registration and
42 shall file a return on an annual basis in succeeding
43 years.

44 b. In addition to the return required in paragraph
45 "a", if the seller accumulates more than one thousand
46 dollars in total state and local tax, the seller is
47 required to file a return in the following month.

48 c. The format of the return and the due date of
49 the initial return and the annual return shall be
50 determined under rules adopted by the department.

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1 Sec. NEW SECTION. 423.50 REMITTANCE OF
2 FUNDS.

3 1. Only one remittance of tax per return is
4 required except as provided in this subsection.
5 Sellers that collect more than thirty thousand dollars
6 in sales and use taxes for this state during the
7 preceding calendar year shall be required to make
8 additional remittances as required under rules adopted
9 by the director. The filing of a return is not
10 required with an additional remittance.

11 2. All remittances shall be remitted
12 electronically.

13 3. Electronic payments may be made either by
14 automated clearinghouse credit or automated
15 clearinghouse debit. Any data accompanying a
16 remittance must be formatted using uniform tax type
17 and payment codes approved by the governing board
18 established pursuant to the agreement. An alternative
19 method for making same-day payments shall be
20 determined under rules adopted by the director.

21 4. If a due date falls on a legal banking holiday
22 in this state, the taxes are due on the succeeding
23 business day.

24 Sec. NEW SECTION. 423.51 ADMINISTRATION OF
25 EXEMPTIONS.

26 1. The following provisions shall apply when a
27 purchaser claims an exemption:

28 a. The seller shall obtain identifying information
29 of the purchaser and the reason for claiming a tax
30 exemption at the time of the purchase as determined by
31 the member states acting jointly.

32 b. A purchaser is not required to provide a
33 signature to claim an exemption from tax unless a
34 paper certificate is used.

35 c. The seller shall use the standard form for
36 claiming an exemption electronically as adopted
37 jointly by the member states.

38 d. The seller shall obtain the same information
39 for proof of a claimed exemption regardless of the
40 medium in which the transaction occurred.

41 e. The department may authorize a system wherein
42 the purchaser exempt from the payment of the tax is
43 issued an identification number which shall be
44 presented to the seller at the time of the sale.

45 f. The seller shall maintain proper records of
46 exempt transactions and provide them to the department
47 when requested.

48 g. The department shall administer entity-based
49 and use-based exemptions when practicable through a
50 direct pay tax permit, an exemption certificate, or

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1 another means that does not burden sellers. For the
2 purposes of this paragraph:

3 (1) An "entity-based exemption" is an exemption
4 based on who purchases the product or who sells the
5 product.

6 (2) A "use-based exemption" is an exemption based
7 on the purchaser's use of the product.

8 2. Sellers that follow the requirements of this
9 section are relieved from any tax otherwise applicable
10 if it is determined that the purchaser improperly
11 claimed an exemption and that the purchaser is liable
12 for the nonpayment of tax. This relief from liability
13 does not apply to a seller who fraudulently fails to
14 collect the tax or solicits purchasers to participate
15 in the unlawful claim of an exemption.

16 Sec. NEW SECTION. 423.52 RELIEF FROM
17 LIABILITY FOR SELLERS AND CERTIFIED SERVICE PROVIDERS.

18 Sellers and certified service providers are
19 relieved from liability to this state or its local
20 taxing jurisdictions for having charged and collected
21 the incorrect amount of sales or use tax resulting
22 from the seller or certified service provider relying
23 on erroneous data provided by this state on tax rates,
24 boundaries, or taxing jurisdiction assignments. If
25 this state provides an address-based system for
26 assigning taxing jurisdictions whether or not pursuant
27 to the federal Mobile Telecommunications Sourcing Act,
28 the director is not required to provide liability
29 relief for errors resulting from reliance on the
30 information provided by this state.

31 Sec. NEW SECTION. 423.53 BAD DEBTS AND
32 MODEL 1 SELLERS.

33 A certified service provider may claim, on behalf
34 of a model 1 seller, any bad debt deduction as
35 provided in section 423.21. The certified service
36 provider must credit or refund the full amount of any
37 bad debt deduction or refund received to the seller.

38 Sec. NEW SECTION. 423.54 AMNESTY FOR
39 REGISTERED SELLERS.

40 1. Subject to the limitations in subsections 2
41 through 6, the following provisions apply:

42 a. Amnesty is provided for uncollected or unpaid
43 sales or use tax to a seller who registers to pay or
44 to collect and remit applicable sales or use tax on
45 sales made to purchasers in this state in accordance
46 with the terms of the agreement, provided the seller
47 was not so registered in this state in the twelve-
48 month period preceding the commencement of Iowa's
49 participation in the agreement.

50 b. Amnesty precludes assessment of the seller for

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1 uncollected or unpaid sales or use tax together with
2 penalty or interest for sales made during the period
3 the seller was not registered in this state, provided
4 registration occurs within twelve months of the
5 commencement of Iowa's participation in the agreement.

6 c. Amnesty shall be provided to any seller
7 lawfully registered under the agreement by any other
8 member state prior to the date of the commencement of
9 Iowa's participation in the agreement.

10 2. Amnesty is not available to a seller with
11 respect to any matter or matters for which the seller
12 received notice of the commencement of an audit and
13 which audit is not yet finally resolved, including any
14 related administrative and judicial processes.

15 3. Amnesty is not available for sales or use taxes
16 already paid or remitted or to taxes collected by the
17 seller.

18 4. Amnesty is fully effective absent the seller's
19 fraud or intentional misrepresentation of a material
20 fact as long as the seller continues registration and
21 continues payment or collection and remittance of
22 applicable sales or use taxes for a period of at least
23 thirty-six months. The statute of limitations
24 applicable to asserting a tax liability is tolled
25 during this thirty-six month period.

26 5. Amnesty is applicable only to sales or use
27 taxes due from a seller in its capacity as a seller
28 and not to sales or use taxes due from a seller in its
29 capacity as a buyer.

30 6. The director may allow amnesty on terms and
31 conditions more favorable to a seller than the terms
32 required by this section.

33 Sec. __. NEW SECTION. 423.55 DATABASES.

34 The department shall provide and maintain databases
35 required by the agreement for the benefit of sellers
36 registered under the agreement.

37 Sec. __. NEW SECTION. 423.56 CONFIDENTIALITY
38 AND PRIVACY PROTECTIONS UNDER MODEL 1.

39 1. As used in this section:

40 a. "Anonymous data" means information that does
41 not identify a person.

42 b. "Confidential taxpayer information" means all
43 information that is protected under this state's laws,
44 rules, and privileges.

45 c. "Personally identifiable information" means
46 information that identifies a person.

47 2. With very limited exceptions, a certified
48 service provider shall perform its tax calculation,
49 remittance, and reporting functions without retaining
50 the personally identifiable information of consumers.

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- 1 3. A certified service provider may perform its
- 2 services in this state only if the certified service
- 3 provider certifies that:
 - 4 a. Its system has been designed and tested to
 - 5 ensure that the fundamental precept of anonymity is
 - 6 respected.
 - 7 b. Personally identifiable information is only
 - 8 used and retained to the extent necessary for the
 - 9 administration of model 1 sellers with respect to
 - 10 exempt purchasers.
 - 11 c. It provides consumers clear and conspicuous
 - 12 notice of its information practices, including what
 - 13 information it collects, how it collects the
 - 14 information, how it uses the information, how long, if
 - 15 at all, it retains the information, and whether it
 - 16 discloses the information to member states. This
 - 17 notice shall be satisfied by a written privacy policy
 - 18 statement accessible by the public on the official web
 - 19 site of the certified service provider.
 - 20 d. Its collection, use, and retention of
 - 21 personally identifiable information is limited to that
 - 22 required by the member states to ensure the validity
 - 23 of exemptions from taxation that are claimed by reason
 - 24 of a consumer's status or the intended use of the
 - 25 goods or services purchased.
 - 26 e. It provides adequate technical, physical, and
 - 27 administrative safeguards so as to protect personally
 - 28 identifiable information from unauthorized access and
 - 29 disclosure.
- 30 4. The department shall provide public
- 31 notification of its practices relating to the
- 32 collection, use, and retention of personally
- 33 identifiable information.
- 34 5. When any personally identifiable information
- 35 that has been collected and retained by the department
- 36 or certified service provider is no longer required
- 37 for the purposes set forth in subsection 3, paragraph
- 38 "d", that information shall no longer be retained by
- 39 the department or certified service provider.
- 40 6. When personally identifiable information
- 41 regarding an individual is retained by or on behalf of
- 42 this state, this state shall provide reasonable access
- 43 by such individual to his or her own information in
- 44 the state's possession and a right to correct any
- 45 inaccurately recorded information.
- 46 7. This privacy policy is subject to enforcement
- 47 by the department and the attorney general.
- 48 8. This state's laws and rules regarding the
- 49 collection, use, and maintenance of confidential
- 50 taxpayer information remain fully applicable and

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1 binding. Without limitation, the agreement does not
2 enlarge or limit the state's or department's authority
3 to:

4 a. Conduct audits or other review as provided
5 under the agreement and state law.

6 b. Provide records pursuant to its examination of
7 public records law, disclosure laws of individual
8 governmental agencies, or other regulations.

9 c. Prevent, consistent with state law, disclosures
10 of confidential taxpayer information.

11 d. Prevent, consistent with federal law,
12 disclosures or misuse of federal return information
13 obtained under a disclosure agreement with the
14 internal revenue service.

15 e. Collect, disclose, disseminate, or otherwise
16 use anonymous data for governmental purposes.

17 9. This privacy policy does not preclude the
18 certification of a certified service provider whose
19 privacy policy is more protective of confidential
20 taxpayer information or personally identifiable
21 information than is required by the agreement.

22 Sec. __. NEW SECTION. 423.57 STATUTES
23 APPLICABLE.

24 The director shall administer this subchapter as it
25 relates to the taxes imposed in this chapter in the
26 same manner and subject to all the provisions of, and
27 all of the powers, duties, authority, and restrictions
28 contained in sections 423.14, 423.15, 423.16, 423.17,
29 423.18, 423.19, 423.20, 423.21, 423.22, 423.23,
30 423.24, 423.25, 423.28, 423.29, 423.31, 423.32,
31 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,
32 423.40, 423.41, and 423.42, section 423.43, subsection
33 3, and sections 423.45, 423.46, and 423.47.

34 Sec. __. NEW SECTION. 423.60 REMOTE SALES TAX
35 FUND - APPROPRIATIONS.

36 1. A remote sales tax fund is created as a
37 separate fund in the state treasury under the control
38 of the department of revenue and finance consisting of
39 the state sales and use tax revenues collected from
40 remote sales and deposited as provided in section
41 423.43, subsection 3.

42 2. There is appropriated from the remote sales tax
43 fund for the fiscal year beginning July 1, 2005, and
44 each succeeding fiscal year to the general fund of the
45 state the following:

46 a. The first sixty million dollars deposited into
47 the fund during each fiscal year.

48 b. An amount to offset the projected loss during
49 the fiscal year to the general fund of the state
50 resulting from a state tax relief Act enacted during

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1 the period beginning four and one-half years prior to
2 the start of the fiscal year. However, any state tax
3 relief Act enacted prior to July 1, 2004, shall not be
4 covered under this subsection.

5 3. For purposes of subsection 2, "state tax relief
6 Act" means an Act that was projected by the
7 legislative fiscal bureau to result in a loss in
8 revenue to the general fund of the state of at least
9 five million dollars in the first full fiscal year
10 during which the Act is effective and that contains
11 any of the following:

12 a. A state sales or use tax exemption.

13 b. A deduction for any state tax.

14 c. A reduction in any state tax rate.

15 Sec. ____.

16 1. Sections 422.42 through 422.59, Code 2003, are repealed.

17 2. Chapter 423, Code 2003, is repealed.

18 COORDINATING AMENDMENTS

19 Sec. ____ Section 15.331A, Code 2003, is amended

20 to read as follows:

21 15.331A SALES, SERVICES, AND USE TAX REFUND -
22 CONTRACTOR OR SUBCONTRACTOR.

23 The eligible business or a supporting business
24 shall be entitled to a refund of the sales and use
25 taxes paid under chapters 422 and chapter 423 for gas,
26 electricity, water, or sewer utility services, goods,
27 wares, or merchandise, or on services rendered,
28 furnished, or performed to or for a contractor or
29 subcontractor and used in the fulfillment of a written
30 contract relating to the construction or equipping of
31 a facility within the economic development area of the
32 eligible business or a supporting business. Taxes
33 attributable to intangible property and furniture and
34 furnishings shall not be refunded.

35 To receive the refund a claim shall be filed by the
36 eligible business or a supporting business with the
37 department of revenue and finance as follows:

38 1. The contractor or subcontractor shall state
39 under oath, on forms provided by the department, the
40 amount of the sales of goods, wares, or merchandise or
41 services rendered, furnished, or performed including
42 water, sewer, gas, and electric utility services for
43 use in the economic development area upon which sales
44 or use tax has been paid prior to the project
45 completion, and shall file the forms with the eligible
46 business or supporting business before final
47 settlement is made.

48 2. The eligible business or a supporting business
49 shall, not more than one year after project
50 completion, make application to the department for any

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1 refund of the amount of the sales and use taxes paid
2 pursuant to chapter ~~422~~ or 423 upon any goods, wares,
3 or merchandise, or services rendered, furnished, or
4 performed, including water, sewer, gas, and electric
5 utility services. The application shall be made in
6 the manner and upon forms to be provided by the
7 department, and the department shall audit the claim
8 and, if approved, issue a warrant to the eligible
9 business or supporting business in the amount of the
10 sales or use tax which has been paid to the state of
11 Iowa under a contract. A claim filed by the eligible
12 business or a supporting business in accordance with
13 this section shall not be denied by reason of a
14 limitation provision set forth in chapter 421, ~~422~~, or
15 423.

16 3. A contractor or subcontractor who willfully
17 makes a false report of tax paid under the provisions
18 of this section is guilty of a simple misdemeanor and
19 in addition is liable for the payment of the tax and
20 any applicable penalty and interest.

21 Sec. __. Section 15.334A, Code 2003, is amended
22 to read as follows:

23 15.334A SALES AND USE TAX EXEMPTION.

24 An eligible business may claim an exemption from
25 sales and use taxation under section ~~422-45~~ 423.3,
26 subsection ~~27~~ 46, for property which is exempt from
27 taxation under section 15.334, notwithstanding the
28 requirements of section ~~422-45~~ 423.3, subsection ~~27~~
29 46, or any other provision of the Code to the
30 contrary.

31 Sec. __. Section 15A.9, subsections 5, 6, and 7,
32 Code 2003, are amended to read as follows:

33 5. PROPERTY TAX EXEMPTION.

34 a. All property, as defined in section 427A.1,
35 subsection 1, paragraphs "e" and "j", Code 1993, used
36 by the primary business or a supporting business and
37 located within the zone, shall be exempt from property
38 taxation for a period of twenty years beginning with
39 the year it is first assessed for taxation. In order
40 to be eligible for this exemption, the property shall
41 be acquired or leased by the primary business or a
42 supporting business or relocated by the primary
43 business or a supporting business to the zone from
44 outside the state prior to project completion.

45 b. Property which is exempt for property tax
46 purposes under this subsection is eligible for the
47 sales and use tax exemption under section ~~422-45~~
48 423.3, subsection ~~27~~ 46, notwithstanding that
49 subsection or any other provision of the Code to the
50 contrary.

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1 6. SALES, SERVICES, AND USE TAX REFUND. Taxes
2 paid pursuant to chapter ~~422~~ or 423 on the ~~gross~~
3 ~~receipts~~ sales price or rental price of property
4 purchased or rented by the primary business or a
5 supporting business for use by the primary business or
6 a supporting business within the zone or on gas,
7 electricity, water, and sewer utility services prior
8 to project completion shall be refunded to the primary
9 business or supporting business if the item was
10 purchased or the service was performed or received
11 prior to project completion. Claims under this
12 section shall be submitted on forms provided by the
13 department of revenue and finance not later than six
14 months after project completion. The refund in this
15 subsection shall not apply to furniture or
16 furnishings, or intangible property.

17 7. SALES, SERVICES, AND USE TAX REFUND -
18 CONTRACTOR OR SUBCONTRACTOR. The primary business or
19 a supporting business shall be entitled to a refund of
20 the ~~sales and use taxes~~ paid under ~~chapters 422 and~~
21 ~~chapter~~ 423 for gas, electricity, water, or sewer
22 utility services, goods, wares, or merchandise, or on
23 services rendered, furnished, or performed to or for a
24 contractor or subcontractor and used in the
25 fulfillment of a written contract relating to the
26 construction or equipping of a facility within the
27 zone of the primary business or a supporting business.
28 Taxes attributable to intangible property and
29 furniture and furnishings shall not be refunded.

30 To receive the refund a claim shall be filed by the
31 primary business or a supporting business with the
32 department of revenue and finance as follows:

33 a. The contractor or subcontractor shall state
34 under oath, on forms provided by the department, the
35 amount of the sales of goods, wares, or merchandise or
36 services rendered, furnished, or performed including
37 water, sewer, gas, and electric utility services for
38 use in the zone upon which sales or use tax has been
39 paid prior to the project completion, and shall file
40 the forms with the primary business or supporting
41 business before final settlement is made.

42 b. The primary business or a supporting business
43 shall, not more than six months after project
44 completion, make application to the department for any
45 refund of the amount of the sales and use taxes paid
46 pursuant to chapter ~~422~~ or 423 upon any goods, wares,
47 or merchandise, or services rendered, furnished, or
48 performed, including water, sewer, gas, and electric
49 utility services. The application shall be made in
50 the manner and upon forms to be provided by the

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1 department, and the department shall audit the claim
2 and, if approved, issue a warrant to the primary
3 business or supporting business in the amount of the
4 sales or use tax which has been paid to the state of
5 Iowa under a contract. A claim filed by the primary
6 business or a supporting business in accordance with
7 this subsection shall not be denied by reason of a
8 limitation provision set forth in chapter 421, 422, or
9 423.

10 c. A contractor or subcontractor who willfully
11 makes a false report of tax paid under the provisions
12 of this subsection is guilty of a simple misdemeanor
13 and in addition is liable for the payment of the tax
14 and any applicable penalty and interest.

15 Sec. ____ Section 28A.17, unnumbered paragraph 1,
16 Code 2003, is amended to read as follows:

17 If an authority is established as provided in
18 section 28A.6 and after approval of a referendum by a
19 simple majority of votes cast in each metropolitan
20 area in favor of the sales and services tax, the
21 governing board of a county in this state within a
22 metropolitan area which is part of the authority shall
23 impose, at the request of the authority, a local sales
24 and services tax at the rate of one-fourth of one
25 percent on ~~gross receipts~~ the sales price taxed by
26 this state under ~~chapter 422, division IV section~~
27 423.2, within the metropolitan area located in this
28 state. The referendum shall be called by resolution
29 of the board and shall be held as provided in section
30 28A.6 to the extent applicable. The ballot
31 proposition shall contain a statement as to the
32 specific purpose or purposes for which the revenues
33 shall be expended and the date of expiration of the
34 tax. The local sales and services tax shall be
35 imposed on the same basis, with the same exceptions,
36 and following the same administrative procedures as
37 provided for a county under sections 422B.8 and
38 422B.9. The amount of the sale, for the purposes of
39 determining the amount of the local sales and services
40 tax under this section, does not include the amount of
41 any local sales and services tax imposed under
42 sections 422B.8 and 422B.9.

43 Sec. ____ Section 29C.15, Code 2003, is amended to
44 read as follows:

45 29C.15 TAX-EXEMPT PURCHASES.

46 All purchases under the provisions of this chapter
47 shall be exempt from the taxes imposed by sections
48 ~~422-43~~ 423.2 and ~~423-2~~ 423.5.

49 Sec. ____ Section 99E.10, subsection 1, paragraph
50 b, Code 2003, is amended to read as follows:

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1 b. An amount equal to the product of the state
2 sales tax rate under section ~~422.43~~ 423.2 multiplied
3 by the gross sales price of each ticket or share sold
4 shall be deducted as the sales tax on the sale of that
5 ticket or share, remitted to the treasurer of state
6 and deposited into the state general fund.

7 Sec. ____ Section 123.187, subsection 2, Code
8 2003, is amended to read as follows:

9 2. A winery licensed or permitted pursuant to laws
10 regulating alcoholic beverages in a state which
11 affords this state an equal reciprocal shipping
12 privilege may ship into this state by private common
13 carrier, to a person twenty-one years of age or older,
14 not more than eighteen liters of wine per month, for
15 consumption or use by the person. Such wine shall not
16 be resold. Shipment of wine pursuant to this
17 subsection is not subject to sales tax under section
18 ~~422.43~~ 423.2, use tax under section ~~423.2~~ 423.5, or
19 the wine gallonage tax under section 123.183, and does
20 not require a refund value for beverage container
21 control purposes under chapter 455C.

22 Sec. ____ Section 262.54, Code 2003, is amended to
23 read as follows:

24 262.54 COMPUTER SALES.

25 Sales, by an institution under the control of the
26 board of regents, of computer equipment, computer
27 software, and computer supplies to students and
28 faculty at the institution are retail sales under
29 chapter ~~422~~, division IV 423.

30 Sec. ____ Section 303.9, subsection 2, Code 2003,
31 is amended to read as follows:

32 2. The department may sell mementos and other
33 items relating to Iowa history and historic sites on
34 the premises of property under control of the
35 department and at the state capitol. Notwithstanding
36 sections 18.12 and 18.16, the department may directly
37 and independently enter into rental and lease
38 agreements with private vendors for the purpose of
39 selling mementos. All fees and income produced by the
40 sales and rental or lease agreements shall be credited
41 to the account of the department. The mementos and
42 other items sold by the department or vendors under
43 this subsection are exempt from section 18.6. The
44 ~~department is not a retailer under chapter 422 and the~~
45 ~~sale of such mementos and other items by the~~
46 ~~department is not a retail sale under chapter 422 and~~
47 ~~is exempt from the sales tax.~~

48 Sec. ____ Section 312.1, subsection 4, Code 2003,
49 is amended to read as follows:

50 4. To the extent provided in section ~~423.24~~.

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1 423.43, subsection 1, paragraph "b", from revenue
2 derived from the use tax, under chapter 423 on motor
3 vehicles, trailers, and motor vehicle accessories and
4 equipment.

5 Sec.____. Section 312.2, subsections 14 and 16,
6 Code 2003, are amended to read as follows:

7 14. The treasurer of state, before making the
8 allotments provided for in this section, shall credit
9 monthly from the road use tax fund to the general fund
10 of the state from revenue credited to the road use tax
11 fund under section ~~423.24~~ 423.43, subsection 1,
12 paragraph "b", an amount equal to one-twentieth of
13 eighty percent of the revenue from the operation of
14 section ~~423.7~~ 423.26.

15 There is appropriated from the general fund of the
16 state for each fiscal year to the state department of
17 transportation the amount of revenues credited to the
18 general fund of the state during the fiscal year under
19 this subsection to be used for purposes of public
20 transit assistance under chapter 324A.

21 16. The treasurer of state, before making the
22 allotments provided for in this section, shall credit
23 monthly from the road use tax fund to the motorcycle
24 rider education fund established in section 321.180B,
25 an amount equal to one dollar per year of license
26 validity for each issued or renewed driver's license
27 which is valid for the operation of a motorcycle.
28 Moneys credited to the motorcycle rider education fund
29 under this subsection shall be taken from moneys
30 credited to the road use tax fund under section ~~423.24~~
31 423.43.

32 Sec.____. Section 321.20, subsection 5, Code 2003,
33 is amended to read as follows:

34 5. The amount of tax to be paid under section
35 ~~423.7~~ 423.26.

36 Sec.____. Section 321.24, subsections 1 and 3,
37 Code 2003, are amended to read as follows:

38 1. Upon receipt of the application for title and
39 payment of the required fees for a motor vehicle,
40 trailer, or semitrailer, the county treasurer or the
41 department shall, when satisfied as to the
42 application's genuineness and regularity, and, in the
43 case of a mobile home or manufactured home, that taxes
44 are not owing under chapter 435, issue a certificate
45 of title and, except for a mobile home or manufactured
46 home, a registration receipt, and shall file the
47 application, the manufacturer's or importer's
48 certificate, the certificate of title, or other
49 evidence of ownership, as prescribed by the
50 department. The registration receipt shall be

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1 delivered to the owner and shall contain upon its face
2 the date issued, the name and address of the owner,
3 the registration number assigned to the vehicle, the
4 amount of the fee paid, the amount of tax paid
5 pursuant to section ~~423.7~~ 423.26, the type of fuel
6 used, and a description of the vehicle as determined
7 by the department, and upon the reverse side a form
8 for notice of transfer of the vehicle. The name and
9 address of any lessee of the vehicle shall not be
10 printed on the registration receipt or certificate of
11 title. Up to three owners may be listed on the
12 registration receipt and certificate of title.

13 3. The certificate of title shall contain upon its
14 face the identical information required upon the face
15 of the registration receipt. In addition, the
16 certificate of title shall contain a statement of the
17 owner's title, the title number assigned to the owner
18 or owners of the vehicle, the amount of tax paid
19 pursuant to section ~~423.7~~ 423.26, the name and address
20 of the previous owner, and a statement of all security
21 interests and encumbrances as shown in the
22 application, upon the vehicle described, including the
23 nature of the security interest, date of notation, and
24 name and address of the secured party.

25 Sec. ____ Section 321.34, subsection 7, paragraph
26 c, Code 2003, is amended to read as follows:

27 c. The fees for a collegiate registration plate
28 are as follows:

- 29 (1) A registration fee of twenty-five dollars.
- 30 (2) A special collegiate registration fee of
31 twenty-five dollars.

32 These fees are in addition to the regular annual
33 registration fee. The fees collected by the director
34 under this subsection shall be paid monthly to the
35 treasurer of state and credited by the treasurer of
36 state to the road use tax fund. Notwithstanding
37 section ~~423.24~~ 423.43 and prior to the revenues being
38 credited to the road use tax fund under section ~~423.24~~
39 423.43, subsection 1, paragraph "b", the treasurer of
40 state shall credit monthly from those revenues
41 respectively, to Iowa state university of science and
42 technology, the university of northern Iowa, and the
43 state university of Iowa, the amount of the special
44 collegiate registration fees collected in the previous
45 month for collegiate registration plates designed for
46 the university. The moneys credited are appropriated
47 to the respective universities to be used for
48 scholarships for students attending the universities.

49 Sec. ____ Section 321.34, subsection 11, paragraph
50 c, Code 2003, is amended to read as follows:

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1 c. The special natural resources fee for letter
2 number designated natural resources plates is thirty-
3 five dollars. The fee for personalized natural
4 resources plates is forty-five dollars which shall be
5 paid in addition to the special natural resources fee
6 of thirty-five dollars. The fees collected by the
7 director under this subsection shall be paid monthly
8 to the treasurer of state and credited to the road use
9 tax fund. Notwithstanding section ~~423.24~~ 423.43, and
10 prior to the crediting of revenues to the road use tax
11 fund under section ~~423.24~~ 423.43, subsection 1,
12 paragraph "b", the treasurer of state shall credit
13 monthly from those revenues to the Iowa resources
14 enhancement and protection fund created pursuant to
15 section 455A.18, the amount of the special natural
16 resources fees collected in the previous month for the
17 natural resources plates.

18 Sec. ____ Section 321.34, subsection 11A,
19 paragraph c, Code 2003, is amended to read as follows:

20 c. The special fee for letter number designated
21 love our kids plates is thirty-five dollars. The fee
22 for personalized love our kids plates is twenty-five
23 dollars, which shall be paid in addition to the
24 special love our kids fee of thirty-five dollars. The
25 fees collected by the director under this subsection
26 shall be paid monthly to the treasurer of state and
27 credited to the road use tax fund. Notwithstanding
28 section ~~423.24~~ 423.43, and prior to the crediting of
29 revenues to the road use tax fund under section ~~423.24~~
30 423.43, subsection 1, paragraph "b", the treasurer of
31 state shall transfer monthly from those revenues to
32 the Iowa department of public health the amount of the
33 special fees collected in the previous month for the
34 love our kids plates. Notwithstanding section 8.33,
35 moneys transferred under this subsection shall not
36 revert to the general fund of the state.

37 Sec. ____ Section 321.34, subsection 11B,
38 paragraph c, Code 2003, is amended to read as follows:

39 c. The special fee for letter number designated
40 motorcycle rider education plates is thirty-five
41 dollars. The fee for personalized motorcycle rider
42 education plates is twenty-five dollars, which shall
43 be paid in addition to the special motorcycle rider
44 education fee of thirty-five dollars. The fees
45 collected by the director under this subsection shall
46 be paid monthly to the treasurer of state and credited
47 to the road use tax fund. Notwithstanding section
48 ~~423.24~~ 423.43, and prior to the crediting of revenues
49 to the road use tax fund under section ~~423.24~~ 423.43,
50 subsection 1, paragraph "b", the treasurer of state

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1 shall transfer monthly from those revenues to the
2 department for use in accordance with section
3 321.180B, subsection 6, the amount of the special fees
4 collected in the previous month for the motorcycle
5 rider education plates.

6 Sec. ____ Section 321.34, subsection 13, paragraph
7 d, Code 2003, is amended to read as follows:
8 d. A state agency may submit a request to the
9 department recommending a special registration plate.
10 The alternate fee for letter number designated plates
11 is thirty-five dollars with a ten dollar annual
12 special renewal fee. The fee for personalized plates
13 is twenty-five dollars which is in addition to the
14 alternative fee of thirty-five dollars with an annual
15 personalized plate renewal fee of five dollars which
16 is in addition to the special renewal fee of ten
17 dollars. The alternate fees are in addition to the
18 regular annual registration fee. The alternate fees
19 collected under this paragraph shall be paid monthly
20 to the treasurer of state and credited to the road use
21 tax fund. Notwithstanding section ~~423.24~~ 423.43, and
22 prior to the crediting of the revenues to the road use
23 tax fund under section ~~423.24~~ 423.43, subsection 1,
24 paragraph "b", the treasurer of state shall credit
25 monthly the amount of the alternate fees collected in
26 the previous month to the state agency that
27 recommended the special registration plate.

28 Sec. ____ Section 321.34, subsection 21, paragraph
29 c, Code 2003, is amended to read as follows:
30 c. The special fees collected by the director
31 under this subsection shall be paid monthly to the
32 treasurer of state and credited to the road use tax
33 fund. Notwithstanding section ~~423.24~~ 423.43, and
34 prior to the crediting of revenues to the road use tax
35 fund under section ~~423.24~~ 423.43, subsection 1,
36 paragraph "b", the treasurer of state shall credit
37 monthly to the Iowa heritage fund created under
38 section 303.9A the amount of the special fees
39 collected in the previous month for the Iowa heritage
40 plates.

41 Sec. ____ Section 321.34, subsection 22, paragraph
42 b, Code 2003, is amended to read as follows:

43 b. The special school transportation fee for
44 letter number designated education plates is thirty-
45 five dollars. The fee for personalized education
46 plates is twenty-five dollars, which shall be paid in
47 addition to the special school transportation fee of
48 thirty-five dollars. The annual special school
49 transportation fee is ten dollars for letter number
50 designated registration plates and is fifteen dollars

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1 for personalized registration plates which shall be
2 paid in addition to the regular annual registration
3 fee. The fees collected by the director under this
4 subsection shall be paid monthly to the treasurer of
5 state and credited to the road use tax fund.
6 Notwithstanding section ~~423.24~~ 423.43, and prior to
7 the crediting of revenues to the road use tax fund
8 under section ~~423.24~~ 423.43, subsection 1, paragraph
9 "b", the treasurer of state shall transfer monthly
10 from those revenues to the school budget review
11 committee in accordance with section 257.31,
12 subsection 17, the amount of the special school
13 transportation fees collected in the previous month
14 for the education plates.

15 Sec. ____ Section 321F.9, Code 2003, is amended to
16 read as follows:

17 321F.9 OPTION TO PURCHASE – DEALER'S LICENSE.

18 Any person engaged in business in this state shall
19 not enter into any agreement for the use of a motor
20 vehicle under the terms of which ~~such~~ that person
21 grants to another an option to purchase ~~such~~ the motor
22 vehicle without first having obtained a motor vehicle
23 dealer's license under the provisions of chapter 322,
24 and all sales of motor vehicles under such options
25 shall be subject to sales or use taxes imposed under
26 the provisions of ~~chapters 422 and~~ chapter 423.
27 Nothing contained in this section shall require such
28 person to have a place of business as provided by
29 section 322.6, subsection 8.

30 Sec. ____ Section 327I.26, Code 2003, is amended
31 to read as follows:

32 327I.26 APPROPRIATION TO AUTHORITY.

33 Notwithstanding section ~~423.24~~ 423.43, and prior to
34 the application of section ~~423.24~~ 423.43, subsection
35 1, paragraph "b", there shall be deposited into the
36 general fund of the state and is appropriated to the
37 authority from eighty percent of the revenues derived
38 from the operation of section ~~423.7~~ 423.26, the
39 amounts certified by the authority under section
40 327I.25. However, the total amount deposited into the
41 general fund and appropriated to the Iowa railway
42 finance authority under this section shall not exceed
43 two million dollars annually. Moneys appropriated to
44 the Iowa railway finance authority under this section
45 are appropriated only for the payment of principal and
46 interest on obligations or the payment of leases
47 guaranteed by the authority as provided under section
48 327I.25.

49 Sec. ____ Section 328.26, unnumbered paragraph 2,
50 Code 2003, is amended to read as follows:

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1 When an aircraft is registered to a person for the
2 first time the fee submitted to the department shall
3 include the tax imposed by section 422.43 ~~423.2~~ or
4 section ~~423.2~~ 423.5 or evidence of the exemption of
5 the aircraft from the tax imposed under section ~~422.43~~
6 ~~423.2~~ or ~~423.2~~ 423.5.

7 Sec. ____ Section 331.557, subsection 3, Code
8 2003, is amended to read as follows:

9 3. Collect the use tax on vehicles subject to
10 registration as provided in sections ~~423.6, 423.7, and~~
11 ~~423.7A~~ 423.14, 423.26, and 423.27.

12 Sec. ____ Section 357A.15, unnumbered paragraph 2,
13 Code 2003, is amended to read as follows:

14 A rural water district organized under chapter 504A
15 shall receive a refund of sales or use taxes upon
16 submitting an application to the department of revenue
17 and finance for ~~such the~~ refund of taxes imposed upon
18 the ~~gross receipts~~ sales price of all sales of
19 building materials, supplies, or equipment sold to a
20 contractor or used in the fulfillment of a written
21 contract for the construction of facilities for ~~such~~
22 the rural water district to the same extent as a rural
23 water district organized under this chapter may obtain
24 a refund under section ~~422.45~~ 423.4, subsection 7 1.

25 Sec. ____ Section 421.10, Code 2003, is amended to
26 read as follows:

27 421.10 APPEAL PERIOD – APPLICABILITY.

28 The appeal period for revision of assessment of
29 tax, interest, and penalties set out under section
30 ~~422.28, 422.54~~ 423.37, 437A.9, 437A.22, 452A.64,
31 453A.29, or 453A.46 applies to appeals to notices from
32 the department denying changes in filing methods,
33 denying refund claims, and denying portions of refund
34 claims for the tax covered by that section, and
35 notices of any department action directed to a
36 specific taxpayer, other than licensing, which
37 involves a calculation.

38 Sec. ____ Section 421.17, subsection 22B, Code
39 2003, is amended to read as follows:

40 22B. ~~Enter To enter~~ into agreements or compacts
41 with remote sellers, retailers, or third-party
42 providers for the voluntary collection of Iowa sales
43 or use taxes attributable to sales into Iowa ~~and to~~
44 ~~enter. The director has the authority to enter into~~
45 and perform all duties required of the office of
46 director by multistate agreements or compacts that
47 provide for the ~~voluntary~~ collection of sales and use
48 taxes, including joint audits with other states or
49 audits on behalf of other states. The agreements or
50 compacts shall generally conform to the provisions of

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1 Iowa sales and use tax statutes. All fees for
2 services, reimbursements, remuneration, incentives,
3 and costs incurred by the department associated with
4 these agreements or compacts may be paid or reimbursed
5 from the additional revenue generated. An amount is
6 appropriated from amounts generated to pay or
7 reimburse all costs associated with this subsection.
8 Persons entering into an agreement or compact with the
9 department pursuant to this subsection are subject to
10 the requirements and penalties of the confidentiality
11 laws of this state regarding tax information.
12 Notwithstanding any other provisions of law, the
13 contract, agreement, or compact shall provide for the
14 registration, collection, report, and verification of
15 amounts subject to this subsection.

16 Sec. _____. Section 421.17, subsection 29, paragraph
17 j, Code 2003, is amended to read as follows:

18 j. The department's existing right to credit
19 against tax due or to become due under section 422.73
20 or 423.47 is not to be impaired by a right granted to
21 or a duty imposed upon the department or other state
22 agency by this subsection. This subsection is not
23 intended to impose upon the department any additional
24 requirement of notice, hearing, or appeal concerning
25 the right to credit against tax due under section
26 422.73 or 423.47.

27 Sec. _____. Section 421.17, subsection 34, paragraph
28 i, Code 2003, is amended to read as follows:

29 i. The director may distribute to credit reporting
30 entities and for publication the names, addresses, and
31 amounts of indebtedness owed to or being collected by
32 the state if the indebtedness is subject to the
33 centralized debt collection procedure established in
34 this subsection. The director shall adopt rules to
35 administer this paragraph, and the rules shall provide
36 guidelines by which the director shall determine which
37 names, addresses, and amounts of indebtedness may be
38 distributed for publication. The director may
39 distribute information for publication pursuant to
40 this paragraph, notwithstanding sections 422.20,
41 422.72, and ~~423.23~~ 423.42, or any other provision of
42 state law to the contrary pertaining to
43 confidentiality of information.

44 Sec. _____. Section 421.26, Code 2003, is amended to
45 read as follows:

46 421.26 PERSONAL LIABILITY FOR TAX DUE.

47 If a licensee or other person under section
48 452A.65, a retailer or purchaser under chapter 422A or
49 422B, or section ~~422.52~~ 423.31 or 423.33, or a
50 retailer or purchaser under section ~~423.13~~ 423.32 or a

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1 user under section ~~423.14~~ 423.34 fails to pay a tax
2 under those sections when due, an officer of a
3 corporation or association, notwithstanding sections
4 490A.601 and 490A.602, a member or manager of a
5 limited liability company, or a partner of a
6 partnership, having control or supervision of or the
7 authority for remitting the tax payments and having a
8 substantial legal or equitable interest in the
9 ownership of the corporation, association, limited
10 liability company, or partnership, who has
11 intentionally failed to pay the tax is personally
12 liable for the payment of the tax, interest, and
13 penalty due and unpaid. However, this section shall
14 not apply to taxes on accounts receivable. The
15 dissolution of a corporation, association, limited
16 liability company, or partnership shall not discharge
17 a person's liability for failure to remit the tax due.
18 Sec. ____ Section 421.28, Code 2003, is amended to
19 read as follows:

20 **421.28 EXCEPTIONS TO SUCCESSOR LIABILITY.**

21 The immediate successor to a licensee's or
22 retailer's business or stock of goods under chapter
23 422A or 422B, or section ~~422.52, 423.13, 423.14,~~
24 423.33 or 452A.65, is not personally liable for the
25 amount of delinquent tax, interest, or penalty due and
26 unpaid if the immediate successor shows that the
27 purchase of the business or stock of goods was made in
28 good faith that no delinquent tax, interest, or
29 penalty was due and unpaid. For purposes of this
30 section the immediate successor shows good faith by
31 evidence that the department had provided the
32 immediate successor with a certified statement that no
33 delinquent tax, interest, or penalty is unpaid, or
34 that the immediate successor had taken in good faith a
35 certified statement from the licensee, retailer, or
36 seller that no delinquent tax, interest, or penalty is
37 unpaid. When requested to do so by a person with whom
38 the licensee or retailer is negotiating the sale of
39 the business or stock of goods, the director of
40 revenue and finance shall, upon being satisfied that
41 such a situation exists, inform that person as to the
42 amount of unpaid delinquent tax, interest, or penalty
43 due by the licensee or the retailer. The giving of
44 the information under this circumstance is not a
45 violation of section 422.20, 422.72, or 452A.63.

46 Sec. ____ Section 421B.11, unnumbered paragraph 3,
47 Code 2003, is amended to read as follows:

48 Judicial review of the actions of the director may
49 be sought in accordance with the terms of the Iowa
50 administrative procedure Act, and section ~~422.55~~

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1 423.38.

2 Sec. ____ Section 422.7, subsection 21, paragraph
3 a, subparagraph (1), unnumbered paragraph 1, Code
4 2003, is amended to read as follows:

5 Net capital gain from the sale of real property
6 used in a business, in which the taxpayer materially
7 participated for ten years, as defined in section
8 469(h) of the Internal Revenue Code, and which has
9 been held for a minimum of ten years, or from the sale
10 of a business, as defined in section ~~422.42~~ 423.1, in
11 which the taxpayer was employed or in which the
12 taxpayer materially participated for ten years, as
13 defined in section 469(h) of the Internal Revenue
14 Code, and which has been held for a minimum of ten
15 years. The sale of a business means the sale of all
16 or substantially all of the tangible personal property
17 or service of the business.

18 Sec. ____ Section 422.73, subsection 1, Code 2003,
19 is amended by striking the subsection.

20 Sec. ____ Section 422A.1, unnumbered paragraphs 1,
21 3, 7, and 8, Code 2003, are amended to read as
22 follows:

23 A city or county may impose by ordinance of the
24 city council or by resolution of the board of
25 supervisors a hotel and motel tax, at a rate not to
26 exceed seven percent, which shall be imposed in
27 increments of one or more full percentage points upon
28 the ~~gross receipts~~ sales price from the renting of
29 sleeping rooms, apartments, or sleeping quarters in a
30 hotel, motel, inn, public lodging house, rooming
31 house, manufactured or mobile home which is tangible
32 personal property, or tourist court, or in any place
33 where sleeping accommodations are furnished to
34 transient guests for rent, whether with or without
35 meals; except the ~~gross receipts~~ sales price from the
36 renting of sleeping rooms in dormitories and in
37 memorial unions at all universities and colleges
38 located in the state of Iowa and the guests of a
39 religious institution if the property is exempt under
40 section 427.1, subsection 8, and the purpose of
41 renting is to provide a place for a religious retreat
42 or function and not a place for transient guests
43 generally. The tax when imposed by a city shall apply
44 only within the corporate boundaries of that city and
45 when imposed by a county shall apply only outside
46 incorporated areas within that county. "Renting" and
47 "rent" include any kind of direct or indirect charge
48 for such sleeping rooms, apartments, or sleeping
49 quarters, or their use. However, the tax does not
50 apply to the ~~gross receipts~~ sales price from the

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1 renting of a sleeping room, apartment, or sleeping
2 quarters while rented by the same person for a period
3 of more than thirty-one consecutive days.

4 A local hotel and motel tax shall be imposed on
5 January 1, April 1, July 1, or October 1, following
6 the notification of the director of revenue and
7 finance. Once imposed, the tax shall remain in effect
8 at the rate imposed for a minimum of one year. A
9 local hotel and motel tax shall terminate only on
10 March 31, June 30, September 30, or December 31. At
11 least ~~forty-five~~ sixty days prior to the tax being
12 effective or prior to a revision in the tax rate, or
13 prior to the repeal of the tax, a city or county shall
14 provide notice by mail of such action to the director
15 of revenue and finance.

16 No tax permit other than the state sales tax permit
17 required under section ~~422.53~~ 423.36 may be required
18 by local authorities.

19 The tax levied shall be in addition to any state
20 sales tax imposed under section ~~422.43~~ 423.2. Section
21 422.25, subsection 4, sections 422.30, ~~422.48 to~~
22 ~~422.52, 422.54 to 422.58,~~ 422.67, and 422.68, section
23 422.69, subsection 1, and sections 422.70 to 422.75,
24 section 423.14, subsection 1, and sections 423.23,
25 423.24, 423.25, 423.31, 423.33, 423.35, 423.37 to
26 423.42, and 423.47, consistent with the provisions of
27 this chapter, apply with respect to the taxes
28 authorized under this chapter, in the same manner and
29 with the same effect as if the hotel and motel taxes
30 were retail sales taxes within the meaning of those
31 statutes. Notwithstanding this paragraph, the
32 director shall provide for quarterly filing of returns
33 ~~as prescribed in section 422.51~~ and for other than
34 quarterly filing of returns both as prescribed in
35 section ~~422.51, subsection 2~~ 423.31. The director may
36 require all persons, as defined in section ~~422.42~~
37 423.1, who are engaged in the business of deriving
38 ~~gross receipts~~ any sales price subject to tax under
39 this chapter, to register with the department.

40 Sec. ____ Section 422B.8, Code 2003, is amended to
41 read as follows:

42 422B.8 LOCAL SALES AND SERVICES TAX.

43 A local sales and services tax at the rate of not
44 more than one percent may be imposed by a county on
45 the ~~gross receipts~~ sales price taxed by the state
46 under chapter ~~422~~ 423, ~~division IV~~ subchapter II. A
47 local sales and services tax shall be imposed on the
48 same basis as the state sales and services tax or in
49 the case of the use of natural gas, natural gas
50 service, electricity, or electric service on the same

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1 basis as the state use tax and shall not be imposed on
2 the sale of any property or on any service not taxed
3 by the state, except the tax shall not be imposed on
4 the ~~gross receipts~~ sales price from the sale of motor
5 fuel or special fuel as defined in chapter 452A which
6 is consumed for highway use or in watercraft or
7 aircraft if the fuel tax is paid on the transaction
8 and a refund has not or will not be allowed, on the
9 ~~gross receipts~~ sales price from the rental of rooms,
10 apartments, or sleeping quarters which are taxed under
11 chapter 422A during the period the hotel and motel tax
12 is imposed, on the ~~gross receipts~~ sales price from the
13 sale of equipment by the state department of
14 transportation, on the ~~gross receipts~~ sales price from
15 the sale of self-propelled building equipment, pile
16 drivers, motorized scaffolding, or attachments
17 customarily drawn or attached to self-propelled
18 building equipment, pile drivers, and motorized
19 scaffolding, including auxiliary attachments which
20 improve the performance, safety, operation, or
21 efficiency of the equipment and replacement parts and
22 are directly and primarily used by contractors,
23 subcontractors, and builders for new construction,
24 reconstruction, alterations, expansion, or remodeling
25 of real property or structures, and on the ~~gross~~
26 ~~receipts~~ sales price from the sale of a lottery ticket
27 or share in a lottery game conducted pursuant to
28 chapter 99E and except the tax shall not be imposed on
29 the ~~gross receipts~~ sales price from the sale or use of
30 natural gas, natural gas service, electricity, or
31 electric service in a city or county where the ~~gross~~
32 ~~receipts~~ sales price from the sale of natural gas or
33 electric energy are subject to a franchise fee or user
34 fee during the period the franchise or user fee is
35 imposed. A local sales and services tax is applicable
36 to transactions within those incorporated and
37 unincorporated areas of the county where it is imposed
38 and shall be collected by all persons required to
39 collect state ~~gross receipts~~ sales taxes. However, a
40 person required to collect state retail sales tax
41 under chapter ~~422~~ 423, ~~division IV~~ subchapter V or VI,
42 is not required to collect local sales and services
43 tax on transactions delivered within the area where
44 the local sales and services tax is imposed unless the
45 person has physical presence in that taxing area. All
46 cities contiguous to each other shall be treated as
47 part of one incorporated area and the tax would be
48 imposed in each of those contiguous cities only if the
49 majority of those voting in the total area covered by
50 the contiguous cities favor its imposition.

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1 The amount of the sale, for purposes of determining
2 the amount of the local sales and services tax, does
3 not include the amount of any state ~~gross receipts~~
4 ~~taxes sales tax.~~

5 A tax permit other than the state sales tax permit
6 required under section ~~422.53 or 423.10~~ 423.36 shall
7 not be required by local authorities.

8 If a local sales and services tax is imposed by a
9 county pursuant to this chapter, a local excise tax at
10 the same rate shall be imposed by the county on the
11 purchase price of natural gas, natural gas service,
12 electricity, or electric service subject to tax under
13 chapter 423, subchapter III, and not exempted from tax
14 by any provision of chapter 423, subchapter III. The
15 local excise tax is applicable only to the use of
16 natural gas, natural gas service, electricity, or
17 electric service within those incorporated and
18 unincorporated areas of the county where it is imposed
19 and, except as otherwise provided in this chapter,
20 shall be collected and administered in the same manner
21 as the local sales and services tax. For purposes of
22 this chapter, "local sales and services tax" shall
23 also include the local excise tax.

24 Sec. ____ Section 422B.9, subsections 1 and 2,
25 Code 2003, are amended to read as follows:

26 1. a. A local sales and services tax shall be
27 imposed either January 1 or July 1 following the
28 notification of the director of revenue and finance
29 but not sooner than ninety days following the
30 favorable election and not sooner than sixty days
31 following notice to sellers, as defined in section
32 423.1. However, a jurisdiction which has voted to
33 continue imposition of the tax may impose that tax
34 without repeal of the prior tax.

35 b. A local sales and services tax shall be
36 repealed only on June 30 or December 31 but not sooner
37 than ninety days following the favorable election if
38 one is held. However, a local sales and services tax
39 shall not be repealed before the tax has been in
40 effect for one year. At least forty days before the
41 imposition or repeal of the tax, a county shall
42 provide notice of the action by certified mail to the
43 director of revenue and finance.

44 c. The imposition of or a rate change for a local
45 sales and service tax shall not be applied to
46 purchases from a printed catalog wherein a purchaser
47 computes the local tax based on rates published in the
48 catalog unless a minimum of one hundred twenty days'
49 notice of the imposition or rate change has been given
50 to the seller from the catalog and the first day of a

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1 calendar quarter has occurred on or after the one
2 hundred twentieth day.

3 e. d. If a local sales and services tax has been
4 imposed prior to April 1, 2000, and at the time of the
5 election a date for repeal was specified on the
6 ballot, the local sales and services tax may be
7 repealed on that date, notwithstanding paragraph "b".

8 2. a. The director of revenue and finance shall
9 administer a local sales and services tax as nearly as
10 possible in conjunction with the administration of
11 state ~~gross receipts~~ sales tax laws. The director
12 shall provide appropriate forms or provide on the
13 regular state tax forms for reporting local sales and
14 services tax liability.

15 b. The ordinance of a county board of supervisors
16 imposing a local sales and services tax shall adopt by
17 reference the applicable provisions of the appropriate
18 sections of ~~chapter 422, division IV, and chapter 423.~~
19 All powers and requirements of the director to
20 administer the state ~~gross receipts~~ sales tax law and
21 use tax law are applicable to the administration of a
22 local sales and services tax law and the local excise
23 tax, including but not limited to, the provisions of
24 section 422.25, subsection 4, sections 422.30, 422.48
25 ~~to 422.52, 422.54 to 422.58, 422.67, and 422.68,~~
26 section 422.69, subsection 1, sections 422.70 to
27 422.75, 423.6, subsections 2 to 4, and sections 423.11
28 to 423.18, and 423.21 section 423.14, subsection 1 and
29 subsection 2, paragraphs "b" through "e", and sections
30 423.15, 423.23, 423.24, 423.25, 423.31 to 423.35,
31 423.37 to 423.42, 423.46, and 423.47. Local officials
32 shall confer with the director of revenue and finance
33 for assistance in drafting the ordinance imposing a
34 local sales and services tax. A certified copy of the
35 ordinance shall be filed with the director as soon as
36 possible after passage.

37 c. Frequency of deposits and quarterly reports of
38 a local sales and services tax with the department of
39 revenue and finance are governed by the tax provisions
40 in section ~~422.52~~ 423.31. Local tax collections shall
41 not be included in computation of the total tax to
42 determine frequency of filing under section ~~422.52~~
43 423.31.

44 d. The director shall apply a boundary change of a
45 county or city imposing or collecting the local sales
46 and service tax to the imposition or collection of
47 that tax only on the first day of a calendar quarter
48 which occurs sixty days or more after the director has
49 given notice of the boundary change to sellers.

50 Sec. __. Section 422C.2, subsections 4 and 6,

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1 Code 2003, are amended to read as follows:

2 4. "Person" means person as defined in section

3 ~~422.42~~ 423.1.

4 6. "Rental price" means the consideration for
5 renting an automobile valued in money, and means the
6 same as ~~"gross taxable services"~~ "sales price" as
7 defined in section ~~422.42~~ 423.1.

8 Sec. ____ Section 422C.3, Code 2003, is amended to
9 read as follows:

10 422C.3 TAX ON RENTAL OF AUTOMOBILES.

11 1. A tax of five percent is imposed upon the
12 rental price of an automobile if the rental
13 transaction is subject to the sales and services tax
14 under chapter ~~422.423~~, ~~division IV~~ subchapter II, or
15 the use tax under chapter 423, subchapter III. The
16 tax shall not be imposed on any rental transaction not
17 taxable under the state sales and services tax, as
18 provided in section ~~422.45~~ 423.3, or the state use
19 tax, as provided in section ~~423.4~~ 423.6, on automobile
20 rental receipts.

21 2. The lessor shall collect the tax by adding the
22 tax to the rental price of the automobile.

23 3. The tax, when collected, shall be stated as a
24 distinct item separate and apart from the rental price
25 of the automobile and the sales and services tax
26 imposed under chapter ~~422.423~~, ~~division IV~~ subchapter
27 II, or the use tax imposed under chapter 423,
28 subchapter III.

29 Sec. ____ Section 422C.4, Code 2003, is amended to
30 read as follows:

31 422C.4 ADMINISTRATION AND ENFORCEMENT.

32 All powers and requirements of the director of
33 revenue and finance to administer the state ~~gross~~
34 ~~receipts~~ sales tax law under chapter ~~422~~, ~~division IV~~,
35 423 are applicable to the administration of the tax
36 imposed under section 422C.3, including but not
37 limited to section 422.25, subsection 4, sections
38 ~~422.30, 422.48 through 422.52, 422.54 through 422.58,~~
39 ~~422.67, and 422.68,~~ section 422.69, subsection 1, and
40 sections 422.70 through 422.75, section 423.14,
41 subsection 1, and sections 423.15, 423.23, 423.24,
42 423.25, 423.31, 423.33, 423.35 and 423.37 through
43 423.42, 423.45, 423.46, and 423.47. However, as an
44 exception to the powers specified in section ~~422.52,~~
45 ~~subsection 1~~ 423.31, the director shall only require
46 the filing of quarterly reports.

47 Sec. ____ Section 422E.1, subsection 1, is amended
48 to read as follows:

49 1. A local sales and services tax for school
50 infrastructure purposes may be imposed by a county on

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1 behalf of school districts as provided in this
2 chapter.

3 If a local sales and services tax for school
4 infrastructure is imposed by a county pursuant to this
5 chapter, a local excise tax for school infrastructure
6 at the same rate shall be imposed by the county on the
7 purchase price of natural gas, natural gas service,
8 electricity, or electric service subject to tax under
9 chapter 423, subchapter III, and not exempted from tax
10 by any provision of chapter 423, subchapter III. The
11 local excise tax for school infrastructure is
12 applicable only to the use of natural gas, natural gas
13 service, electricity, or electric service within those
14 incorporated and unincorporated areas of the county
15 where it is imposed and, except as otherwise provided
16 in this chapter, shall be collected and administered
17 in the same manner as the local sales and services tax
18 for school infrastructure. For purposes of this
19 chapter, "local sales and services tax for school
20 infrastructure" shall also include the local excise
21 tax for school infrastructure.

22 Sec. ____ Section 422E.3, subsections 1, 2, and 3,
23 Code 2003, are amended to read as follows:

24 1. If a majority of those voting on the question
25 of imposition of a local sales and services tax for
26 school infrastructure purposes favors imposition of
27 the tax, the tax shall be imposed by the county board
28 of supervisors within the county pursuant to section
29 422E.2, at the rate specified for a ten-year duration
30 on the ~~gross receipts~~ sales price taxed by the state
31 under chapter ~~422~~ 423, ~~division IV~~ subchapter II.

32 2. The tax shall be imposed on the same basis as
33 the state sales and services tax or in the case of the
34 use of natural gas, natural gas service, electricity,
35 or electric service on the same basis as the state use
36 tax and shall not be imposed on the sale of any
37 property or on any service not taxed by the state,
38 except the tax shall not be imposed on the ~~gross~~
39 ~~receipts~~ sales price from the sale of motor fuel or
40 special fuel as defined in chapter 452A which is
41 consumed for highway use or in watercraft or aircraft
42 if the fuel tax is paid on the transaction and a
43 refund has not or will not be allowed, on the ~~gross~~
44 ~~receipts~~ sales price from the rental of rooms,
45 apartments, or sleeping quarters which are taxed under
46 chapter 422A during the period the hotel and motel tax
47 is imposed, on the ~~gross receipts~~ sales price from the
48 sale of equipment by the state department of
49 transportation, on the ~~gross receipts~~ sales price from
50 the sale of self-propelled building equipment, pile

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1 drivers, motorized scaffolding, or attachments
2 customarily drawn or attached to self-propelled
3 building equipment, pile drivers, and motorized
4 scaffolding, including auxiliary attachments which
5 improve the performance, safety, operation, or
6 efficiency of the equipment, and replacement parts and
7 are directly and primarily used by contractors,
8 subcontractors, and builders for new construction,
9 reconstruction, alterations, expansion, or remodeling
10 of real property or structures, and on the gross
11 receipts sales price from the sale of a lottery ticket
12 or share in a lottery game conducted pursuant to
13 chapter 99E and except the tax shall not be imposed on
14 the gross receipts sales price from the sale or use of
15 natural gas, natural gas service, electricity, or
16 electric service in a city or county where the gross
17 receipts sales price from the sale of natural gas or
18 electric energy are subject to a franchise fee or user
19 fee during the period the franchise or user fee is
20 imposed.

21 3. The tax is applicable to transactions within
22 the county where it is imposed and shall be collected
23 by all persons required to collect state gross
24 receipts sales or local excise taxes. However, a
25 person required to collect state retail sales tax
26 under chapter 422, division IV, 423 is not required to
27 collect local sales and services tax on transactions
28 delivered within the area where the local sales and
29 services tax is imposed unless the person has physical
30 presence in that taxing area. The amount of the sale,
31 for purposes of determining the amount of the tax,
32 does not include the amount of any state gross
33 receipts sales taxes or excise taxes or other local
34 option sales or excise taxes. A tax permit other than
35 the state tax permit required under section 422.53 or
36 423.10 423.36 shall not be required by local
37 authorities.

38 Sec. ____ Section 425.30, Code 2003, is amended to
39 read as follows:

40 425.30 NOTICES.

41 Section 422.57 423.39, subsection 1, shall apply to
42 all notices under this division.

43 Sec. ____ Section 425.31, Code 2003, is amended to
44 read as follows:

45 425.31 APPEALS.

46 Any person aggrieved by an act or decision of the
47 director of revenue and finance or the department of
48 revenue and finance under this division shall have the
49 same rights of appeal and review as provided in
50 sections 421.1 and 422.55 423.38 and the rules of the

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1 department of revenue and finance.

2 Sec. ____ Section 452A.66, unnumbered paragraph 1,
3 Code 2003, is amended to read as follows:

4 The appropriate state agency shall administer the
5 taxes imposed by this chapter in the same manner as
6 and subject to section 422.25, subsection 4 and
7 section ~~422.52, subsection 3~~ 423.35.

8 Sec. ____ Section 455B.455, Code 2003, is amended
9 to read as follows:

10 455B.455 SURCHARGE IMPOSED.

11 A land burial surcharge tax of two percent is
12 imposed on the fee for land burial of a hazardous
13 waste. The owner of the land burial facility shall
14 remit the tax collected to the director of revenue and
15 finance after consultation with the director according
16 to rules that the director shall adopt. The director
17 shall forward a copy of the site license to the
18 director of revenue and finance which shall be the
19 appropriate license for the collection of the land
20 burial surcharge tax and shall be subject to
21 suspension or revocation if the site license holder
22 fails to collect or remit the tax collected under this
23 section. The provisions of sections section 422.25,
24 subsection 4, sections 422.30, 422.48 to 422.52,
25 422.54 to 422.58, 422.67, and 422.68, section 422.69,
26 subsection 1, and sections 422.70 to 422.75, section
27 423.14, subsection 1, and sections 423.23, 423.24,
28 423.25, 423.31, 423.33, 423.35, 423.37 to 423.42, and
29 423.47, consistent with the provisions of this part 6
30 of division IV, shall apply with respect to the taxes
31 authorized under this part, in the same manner and
32 with the same effect as if the land burial surcharge
33 tax were ~~retail~~ sales taxes within the meaning of
34 those statutes. Notwithstanding the provisions of
35 this ~~paragraph~~ section, the director shall provide for
36 only quarterly filing of returns as prescribed in
37 section ~~422.51~~ 423.31. Taxes collected by the
38 director of revenue and finance under this section
39 shall be deposited in the general fund of the state.

40 Sec. ____ Section 455G.3, subsection 1, Code 2003,
41 is amended to read as follows:

42 1. The Iowa comprehensive petroleum underground
43 storage tank fund is created as a separate fund in the
44 state treasury, and any funds remaining in the fund at
45 the end of each fiscal year shall not revert to the
46 general fund but shall remain in the Iowa
47 comprehensive petroleum underground storage tank fund.
48 Interest or other income earned by the fund shall be
49 deposited in the fund. The fund shall include moneys
50 credited to the fund under this section, section

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1 ~~423.24~~ 423.43, subsection 1, paragraph "a", and
2 sections 455G.8, 455G.9, and 455G.11, and other funds
3 which by law may be credited to the fund. The moneys
4 in the fund are appropriated to and for the purposes
5 of the board as provided in this chapter. Amounts in
6 the fund shall not be subject to appropriation for any
7 other purpose by the general assembly, but shall be
8 used only for the purposes set forth in this chapter.
9 The treasurer of state shall act as custodian of the
10 fund and disburse amounts contained in it as directed
11 by the board including automatic disbursements of
12 funds as received pursuant to the terms of bond
13 indentures and documents and security provisions to
14 trustees and custodians. The treasurer of state is
15 authorized to invest the funds deposited in the fund
16 at the direction of the board and subject to any
17 limitations contained in any applicable bond
18 proceedings. The income from such investment shall be
19 credited to and deposited in the fund. The fund shall
20 be administered by the board which shall make
21 expenditures from the fund consistent with the
22 purposes of the programs set out in this chapter
23 without further appropriation. The fund may be
24 divided into different accounts with different
25 depositories as determined by the board and to fulfill
26 the purposes of this chapter.

27 Sec. _____. Section 455G.6, subsection 4, Code 2003,
28 is amended to read as follows:

29 4. Grant a mortgage, lien, pledge, assignment, or
30 other encumbrance on one or more improvements,
31 revenues, asset of right, accounts, or funds
32 established or received in connection with the fund,
33 including revenues derived from the use tax under
34 section ~~423.24~~ 423.43, subsection 1, paragraph "a",
35 and deposited in the fund or an account of the fund.

36 Sec. _____. Section 455G.8, subsection 2, Code 2003,
37 is amended to read as follows:

38 2. USE TAX. The revenues derived from the use tax
39 imposed under chapter ~~423~~, subchapter III. The
40 proceeds of the use tax under section ~~423.24~~ 423.43,
41 subsection 1, paragraph "a", shall be allocated,
42 consistent with this chapter, among the fund's
43 accounts, for debt service and other fund expenses,
44 according to the fund budget, resolution, trust
45 agreement, or other instrument prepared or entered
46 into by the board or authority under direction of the
47 board.

48 Sec. _____. Section 455G.9, subsection 2, Code 2003,
49 is amended to read as follows:

50 2. REMEDIAL ACCOUNT FUNDING. The remedial account

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1 shall be funded by that portion of the proceeds of the
2 use tax imposed under chapter 423, subchapter III, and
3 other moneys and revenues budgeted to the remedial
4 account by the board.

5 Sec. ____ Section 2.67, Code 2003, is repealed.

6 Sec. ____ CODE EDITOR DIRECTIVE. The Code editor
7 is directed to transfer Code chapter 423A to Code
8 chapter 421A and to transfer Code chapters 422A, 422B,
9 422C, and 422E to Code chapters 423A, 423B, 423C, and
10 423E, respectively. The Code editor is directed to
11 correct Code references as required due to the changes
12 made in this Act.

13 SALES TAX ADVISORY COUNCIL

14 Sec. ____ IOWA STREAMLINED SALES TAX ADVISORY
15 COUNCIL.

16 1. An Iowa streamlined sales tax advisory council
17 is created. The advisory council shall review, study,
18 and submit recommendations to the Iowa streamlined
19 sales and use tax delegation regarding the proposed
20 streamlined sales and use tax agreement formalized by
21 the project's implementing sales on November 12, 2002,
22 the proposed language conforming Iowa's sales and use
23 tax to the national agreement, and the following
24 issues:

25 a. Uniform definitions proposed in the current
26 streamlined sales and use tax agreement and future
27 proposals.

28 b. Effects upon taxability of items newly defined
29 in Iowa.

30 c. Impacts upon business as a result of the
31 streamlined sales and use tax.

32 d. Technology implementation issues.

33 e. Any other issues that are brought before the
34 streamlined sales and use tax implementing state or
35 the streamlined sales and use tax governing board.

36 2. The department shall provide administrative
37 support to the Iowa streamlined sales tax advisory
38 council. The advisory council shall be representative
39 of Iowa's business community and economy when
40 reviewing and recommending solutions to streamlined
41 sales and use tax issues. The advisory council shall
42 provide the general assembly and the governor with
43 final recommendations made to the Iowa streamlined
44 sales and use tax delegation upon the conclusion of
45 each calendar year.

46 3. The director of revenue, in consultation with
47 the Iowa taxpayers association and the Iowa
48 association of business and industry, shall appoint
49 members to the Iowa streamlined sales tax advisory
50 council, which shall consist of the following members:

Page 111

- 1 a. One member from the department of revenue and
- 2 finance.
- 3 b. Three members representing small Iowa
- 4 businesses, at least one of whom must be a retailer,
- 5 and at least one of whom shall be a supplier.
- 6 c. Three members representing medium Iowa
- 7 businesses, at least one of whom shall be a retailer,
- 8 and at least one of whom shall be a supplier.
- 9 d. Three members representing large Iowa
- 10 businesses, at least one of whom shall be a retailer,
- 11 and at least one of whom shall be a supplier.
- 12 e. One member representing taxpayers as a whole.
- 13 f. One member representing the retail community as
- 14 a whole.
- 15 g. Any other member the director of revenue and
- 16 finance deems appropriate.
- 17 Sec. ____ EFFECTIVE DATE. Except for the section
- 18 creating the Iowa streamlined sales tax advisory
- 19 council, this division of this Act takes effect July
- 20 1, 2004."
- 21 2. Title page, line 11, by inserting after the
- 22 word "council," the following: "providing for a
- 23 streamlined sales and use tax law,".

Jenkins of Black Hawk offered the following amendment H-1571, to amendment H-1517, filed by him from the floor and moved its adoption:

H-1571

- 1 Amend the amendment, H-1517, to House File 683 as
- 2 follows:
- 3 1. Page 27, line 27, by inserting after the word
- 4 "payment" the following: ", other than food which
- 5 would be qualified for exemption under subsection 57
- 6 if purchased with a coupon described in subsection
- 7 57".
- 8 2. Page 27, line 30, by inserting after the word
- 9 "seller" the following: ", including food sold by a
- 10 caterer".
- 11 3. Page 27, line 32, by striking the word
- 12 "Prepared".
- 13 4. Page 27, by striking lines 33 through 40 and
- 14 inserting the following:
- 15 "(4) "Prepared food", for the purposes of this
- 16 paragraph, does not include food that is any of the

17 following:

18 (a) Only cut, repackaged, or pasteurized by the
19 seller.

20 (b) Eggs, fish, meat, poultry, and foods
21 containing these raw animal foods requiring cooking by
22 the consumer as recommended by the United States food
23 and drug administration in chapter 3, part 401.11 of
24 its food code, so as to prevent food borne illnesses.

25 (c) Bakery items sold by the seller which baked
26 them. The words "bakery items" includes but is not
27 limited to breads, rolls, buns, biscuits, bagels,
28 croissants, pastries, donuts, Danish, cakes, tortes,
29 pies, tarts, muffins, bars, cookies, and tortillas.

30 (d) Food sold without eating utensils provided by
31 the seller in an unheated state as a single item which
32 is priced by weight or volume."

A non-record roll call was requested.

The ayes were 44, nays none.

Amendment H-1571 was adopted.

Jenkins of Black Hawk offered the following amendment H-1565, to amendment H-1517, filed by him from the floor and moved its adoption:

H-1565

1 Amend the amendment, H-1517, to House File 683, as
2 follows:

3 1. Page 45 by inserting after line 5 the
4 following:

5 "b. That in transactions, except those subject to
6 paragraph "c", in which tangible personal property is
7 traded toward the purchase price of other tangible
8 personal property the purchase price is only that
9 portion of the purchase price which is payable in
10 money to the retailer if the following conditions are
11 met:

12 (1) The tangible personal property traded to the
13 retailer is the type of property normally sold in the
14 regular course of the retailer's business.

15 (2) The tangible personal property traded to the
16 retailer is intended by the retailer to be ultimately
17 sold at retail or is intended to be used by the
18 retailer or another in the remanufacturing of a like
19 item."

- 20 2. Page 45, line 6, by striking the letter "b."
21 and inserting the following: "c."

Amendment H-1565 was adopted.

Jenkins of Black Hawk moved the adoption of amendment H-1517, as amended.

Amendment H-1517, as amended, was adopted.

Hoffman of Crawford offered amendment H-1518, previously deferred, filed by him as follows:

H-1518

- 1 Amend House File 683 as follows:
2 1. Page 1, line 21, by striking the word "five",
3 and inserting the following: "six".
4 2. Page 1, by striking line 30 and inserting the
5 following:
6 "2. The director and a representative of the Iowa
7 capital investment board, created in section 15E.63,
8 shall serve as ex officio members of the".
9 3. Page 4, by inserting after line 8 the
10 following:
11 "10. A voting member of the board shall abstain
12 from voting on the provision of financial assistance
13 to a project which is located in the county in which
14 the voting member of the board resides."
15 4. Page 5, line 7, by inserting after the word
16 "investments." the following: "State agencies and
17 other entities receiving moneys from the fund shall
18 cooperate with and assist the board in the compilation
19 of the report."
20 5. Page 5, by inserting after line 7 the
21 following:
22 "8. Make a determination to discontinue providing
23 moneys to the entity if an entity receiving moneys
24 from the Iowa values fund does not meet criteria
25 required by an agreement with the board.
26 9. Adopt administrative rules pursuant to chapter
27 17A necessary to administer this chapter."
28 6. Page 5, line 27, by striking the figure
29 "95,000,000", and inserting the following:
30 "90,000,000".
31 7. Page 5, line 29, by striking the figure
32 "65,000,000", and inserting the following:
33 "60,000,000".
34 8. Page 5, line 30, by striking the figure

35 "65,000,000", and inserting the following:
36 "60,000,000".
37 9. Page 5, line 31, by striking the figure
38 "55,000,000", and inserting the following:
39 "50,000,000".
40 10. Page 6, line 23, by inserting after the word
41 "purposes" the following: "as set out in section
42 15E.111".
43 11. Page 6, line 25, by inserting after the word
44 "section" the following: "to procure technical
45 assistance from either the public or private sector,".
46 12. Page 6, line 25, by striking the word
47 "purposes" and inserting the following: "purposes,".
48 13. Page 6, by striking lines 26 through 30 and
49 inserting the following: "rail, air, or river port
50 transportation-related purposes. The use of moneys

Page 2

1 appropriated for rail, air, or river port
2 transportation-related purposes must be directly
3 related to an economic development project and the
4 moneys must be used to leverage other financial
5 assistance moneys."
6 14. Page 6, by inserting after line 33 the
7 following:
8 "8. The entities required to approve applications
9 for financial assistance from moneys appropriated
10 under this section shall be as follows:
11 a. For financial assistance totaling one million
12 dollars or less, the department of economic
13 development shall approve, deny, or defer the
14 application.
15 b. For financial assistance totaling between one
16 million dollars and three million dollars, the
17 executive council of the Iowa values board shall
18 approve, deny, or defer the application.
19 c. For financial assistance totaling three million
20 dollars or more, the Iowa values board shall approve,
21 deny, or defer the application.
22 9. Of the moneys appropriated under this section
23 for the fiscal year beginning July 1, 2003, and ending
24 June 30, 2004, \$10,000,000 is allocated to the tax-
25 exempt bond proceeds restricted capital funds account
26 of the tobacco settlement trust fund to replenish
27 moneys appropriated and expended pursuant to 2003 Iowa
28 Acts, House File 453, if enacted. Of the moneys
29 appropriated under this section for the fiscal year
30 beginning July 1, 2004, and ending June 30, 2005,
31 \$10,000,000 is allocated to the rebuild Iowa
32 infrastructure fund to replenish moneys appropriated
33 and expended pursuant to 2003 Iowa Acts, House File

34 453, if enacted."

35 15. Page 7, by inserting after line 18 the
36 following:

37 "4. When awarding moneys appropriated under this
38 section, the vision Iowa board shall give the
39 consideration in section 15F.203, subsection 3,
40 paragraph "c", priority over the other listed
41 considerations listed in section 15F.203, subsection
42 3."

43 16. Page 8, line 5, by inserting after the figure
44 "422E.3A" the following: ", if enacted by 2003 Iowa
45 Acts, Senate File 445".

46 17. Page 8, line 6, by striking the figure
47 "300,000,000", and inserting the following:
48 "250,000,000".

49 18. Page 9, line 2, by inserting after the word
50 "section" the following: "and provided applications

Page 3

1 are submitted meeting the requirements of the Iowa
2 values board".

3 19. Page 9, by inserting after line 23 the
4 following:

5 "Sec. ____ ENDOW IOWA TAX CREDITS.

6 1. There is appropriated from the Iowa values fund
7 created in section 15G.105 to the general fund of the
8 state, for the fiscal year beginning July 1, 2003, and
9 ending June 30, 2004, the following amount, or so much
10 thereof as is necessary, to be used for the purpose
11 designated:

12 For payment of endow Iowa tax credits authorized
13 pursuant to section 15E.225:

14 \$ 2,000,000

15 2. Notwithstanding section 8.33, moneys that
16 remain unexpended at the end of a fiscal year shall
17 not revert to any fund but shall remain available for
18 expenditure for the designated purposes during the
19 succeeding fiscal year."

20 20. Page 9, line 24, by striking the word "SEED".

21 21. Page 9, line 30, by striking the word "seed".

22 22. Page 10, line 8, by inserting after the words
23 "assistance for" the following: "projects in
24 targeted".

25 23. Page 10, line 33, by striking the figure
26 "30,000,000", and inserting the following:
27 "20,000,000".

28 24. Page 11, by inserting after line 2 the
29 following:

30 "3. The entities required to approve applications
31 for financial assistance from moneys appropriated
32 under this section shall be as follows:

33 a. For projects totaling one million dollars or
34 less, the department of economic development shall
35 approve, deny, or defer the application.
36 b. For projects totaling between one million
37 dollars and three million dollars, the executive
38 council of the Iowa values board shall approve, deny,
39 or defer the application.
40 c. For projects totaling three million dollars or
41 more, the Iowa values board shall approve, deny, or
42 defer the application."
43 25. Page 11, line 10, by inserting after the word
44 "credits" the following: "and payments to
45 contributors approved pursuant to section 15E.232".
46 26. Page 11, by striking lines 21 through 26 and
47 inserting the following:
48 "3. Any moneys appropriated under this section
49 that remain unobligated on June 30, 2008, shall be
50 used for providing financial assistance under section

Page 4

1 15E.232, subsections 3, 4, 5, and 6, for the fiscal
2 year beginning July 1, 2008."
3 27. Page 11, lines 34 and 35, by striking the
4 words "the Iowa corn growers association and the Iowa
5 soybean association" and inserting the following:
6 "~~the Iowa corn growers association and the Iowa~~
7 ~~soybean association Iowa commodity groups~~".
8 28. Page 12, line 6, by inserting after the word
9 "facilities." the following: "The department of
10 economic development may consult with other state
11 agencies regarding any possible future environmental
12 health, or safety issues linked to technology related
13 to the biotechnology industry."
14 29. Page 12, line 7, by inserting after the word
15 "shall" the following: "prefer producer-owned, value-
16 added businesses and".
17 30. Page 12, line 32, by striking the words "or
18 biodiesel or in the", and inserting the following: ",
19 biodiesel, biomass, or in the".
20 31. Page 13, line 5, by inserting after the word
21 "agriculture." the following: "For purposes of this
22 subsection, "producer-owned, valued-added business"
23 means a person who holds an equity interest in the
24 agricultural business and is personally involved in
25 the production of crops or livestock on a regular,
26 continuous, and substantial basis."
27 32. Page 13, line 33, by striking the word
28 "SEED".
29 33. Page 14, by striking line 5 and inserting the
30 following: "philanthropic activity by providing
31 capital to new and existing citizen".

- 32 34. Page 14, line 33, by striking the word
33 "SEED".
- 34 35. Page 15, line 10, by striking the word
35 "this", and inserting the following: "the".
- 36 36. Page 15, by striking line 15 and inserting
37 the following: "endow Iowa grants to new and existing
38 qualified community foundations and to community
39 affiliate organizations".
- 40 37. Page 15, line 22, by inserting after the word
41 "funds." the following: "A qualified community
42 foundation shall not be required to meet this
43 requirement."
- 44 38. Page 15, line 25, by striking the word
45 "charities", and inserting the following:
46 "organizations".
- 47 39. Page 15, line 26, by inserting after the word
48 "the" the following: "qualified community foundation
49 or the".
- 50 40. Page 15, by striking lines 27 through 29 and

Page 5

- 1 inserting the following:
- 2 "3. Endow Iowa grants awarded to new and existing
3 qualified community foundations and to community
4 affiliate organizations shall not exceed twenty-five
5 thousand dollars per foundation or organization unless
6 a foundation or organization demonstrates a multiple".
- 7 41. Page 15, line 30, by striking the word
8 "seed".
- 9 42. By striking page 15, line 35, through page
10 16, line 1, and inserting the following:
11 "a. The demonstrated need for financial
12 assistance."
- 13 43. Page 16, line 5, by striking the words "The
14 demonstrated", and inserting the following: "For
15 community affiliate organizations, the demonstrated".
- 16 44. Page 19, line 11, by inserting after the
17 figure "2008," the following: "except those described
18 in paragraph "b)".
- 19 45. Page 19, by striking line 29 and inserting
20 the following:
21 "b. Subject to the provisions of paragraph "c", an
22 organization exempt from federal income tax pursuant
23 to section 501(c) of the Internal Revenue Code making
24 a contribution to an economic development region
25 revolving fund at any time prior to July 1, 2008,
26 shall be paid from the general fund of the state an
27 amount equal to twenty percent of such contributed
28 amount within thirty days after the end of the fiscal
29 year during which the contribution was made.
- 30 c. The aggregate amount of tax credits and

31 payments to contributors, referred to as the credit
32 amount, authorized pursuant".

33 46. Page 19, line 31, by striking the words
34 "amount of tax credits", and inserting the following:
35 "credit amount".

36 47. By striking page 19, line 33, through page.
37 20, line 1, and inserting the following: "unused
38 credit amount carried over from previous years. Any
39 credit amount which remains unused for a fiscal year
40 may be carried forward to the succeeding fiscal year.
41 The maximum credit amount that may be authorized in a
42 fiscal year for".

43 48. Page 20, line 4, by striking the words "tax
44 credits", and inserting the following: "credit
45 amount".

46 49. Page 20, line 7, by striking the letter "c.",
47 and inserting the following: "d."

48 50. Page 20, line 8, by inserting after the word
49 "section" the following: "and payments to
50 contributors described in paragraph "b"".

Page 6

1 51. Page 21, by striking lines 9 and 10 and
2 inserting the following: "more regions. The board
3 shall take into consideration the geographical
4 disbursement of the pilot projects. The department of
5 economic development shall".

6 52. By striking page 21, line 18, through page
7 22, line 22, and inserting the following:
8 "1. An approved economic development region may
9 apply to the Iowa values board for approval to be
10 designated as an economically isolated area based on
11 criteria as determined by the board. An economically
12 isolated area must consist of at least one county
13 meeting the county distress criteria provided in
14 section 15E.194. The board shall approve no more than
15 five regions as economically isolated areas.

16 2. An approved economically isolated area may
17 apply to the department of economic development for
18 financial assistance of up to seven hundred fifty
19 thousand dollars over a five-year period for purposes
20 of economic development-related marketing assistance
21 for the area. In order to receive financial
22 assistance pursuant to this subsection, the
23 economically isolated area must demonstrate the
24 ability to provide matching moneys on a one-to-one
25 basis."

26 53. Page 23, line 35, by striking the words and
27 figures "through the fiscal year beginning July 1,
28 2007", and inserting the following: "and for every
29 fiscal year thereafter".

- 30 54. Page 24, by striking lines 4 through 9 and
31 inserting the following: "funds in amounts determined
32 pursuant to subsection 3. Moneys".
33 55. Page 24, line 20, by inserting after the
34 figure "260G." the following: "Notwithstanding
35 section 260G.4B, projects funded with moneys from
36 workforce training and economic development funds
37 shall be approved by the Iowa values board established
38 in section 15G.103."
39 56. Page 24, line 32, by inserting after the word
40 "programs." the following: "Moneys from workforce
41 training and economic development funds that are
42 expended for purposes of this paragraph shall be
43 approved by the Iowa values board established in
44 section 15G.103."
45 57. Page 25, line 8, by inserting after the word
46 "The" the following: "department of economic
47 development, in conjunction with the".
48 58. Page 25, lines 8 and 9, by striking the words
49 ", in conjunction with" and inserting the following:
50 "and".

Page 7

- 1 59. Page 26, by striking lines 2 through 6.
2 60. By striking page 26, line 35, through page
3 39, line 18.
4 61. Page 39, line 26, by striking the word
5 "revitalization", and inserting the following:
6 "growth".
7 62. Page 40, line 18, by striking the word "one",
8 and inserting the following: "two".
9 63. By renumbering as necessary.

Watts of Dallas asked and received unanimous consent to withdraw amendment H-1560, to amendment H-1518, filed by him from the floor.

Fallon of Polk asked and received unanimous consent to withdraw amendments H-1536, H-1537, H-1538 and H-1539 to amendment H-1518, filed by him from the floor.

Hoffman of Crawford offered the following amendment H-1549, to amendment H-1518, filed by him from the floor and moved its adoption:

H-1549

- 1 Amend the amendment, H-1518, to House File 683 as

2 follows:

- 3 1. Page 2, line 24, by inserting after the figure
4 "2004," the following: "up to".
5 2. Page 2, line 30, by inserting after the figure
6 "2005," the following: "up to".

Amendment H-1549 was adopted.

Watts of Dallas asked and received unanimous consent to withdraw amendment H-1559, to amendment H-1518, filed by him from the floor.

On motion by Hoffman of Crawford, amendment H-1518, as amended, was adopted.

RULE 32 SUSPENDED

Fallon of Polk rose on a point of order and invoked Rule 32 to refer House File 683 to the committee on appropriations.

The Speaker ruled the point well taken, Rule 32 in order and House File 683 was referred to the committee on appropriations.

Gipp of Winneshiek moved that Rule 32 be suspended to continue debate on House File 683.

A non-record roll call was requested.

The ayes were 36, nays 6.

The motion prevailed and Rule 32 was suspended.

Tymeson of Madison in the chair at 8:57 p.m.

Speaker Rants in the chair at 9:01 p.m.

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

On the question "Shall the bill pass?" (H.F. 683).

The ayes were, 79:

| | | | |
|------------|------------|------------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Bogges | Carroll | Chambers |
| Cohoon | Dandekar | Davitt | Dennis |
| Dolecheck | Drake | Elgin | Foege |
| Ford | Freeman | Frevert | Gaskill |
| Gipp | Greimann | Hansen | Heaton |
| Heddens | Hoffman | Horbach | Hunter |
| Huseman | Hutter | Jacobs | Jenkins |
| Jochum | Jones | Klemme | Kramer |
| Kuhn | Kurtenbach | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Miller | Murphy | Myers |
| Oldson | Olson, D. | Olson, S. | Osterhaus |
| Petersen | Quirk | Raecker | Rayhons |
| Reasoner | Roberts | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.R. |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Mr. Speaker | |
| | | Rants | |

The nays were, 19:

| | | | |
|----------|------------------|---------|-----------|
| Boal | Boddicker | De Boef | Dix |
| Eichhorn | Fallon | Granzow | Greiner |
| Hahn | Hanson | Hogg | Huser |
| Lalk | Mertz | Paulsen | Rasmussen |
| Sands | Van Fossen, J.K. | Watts | |

Absent or not voting, 2:

| | |
|-------|---------|
| Bukta | Connors |
|-------|---------|

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 30, 2003, concurred in the House amendment to the Senate amendment, and passed the following bill in which the concurrence of the Senate was asked:

House File 534, a bill for an act providing for the reorganization of certain state departments by establishing a department of administrative services, making related changes, providing penalties, and providing an effective date.

Also: That the Senate has on April 30, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 549, a bill for an act relating to the duties and operations of the department of education and school boards.

Also: That the Senate has on April 30, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 595, a bill for an act relating to certain voluntary annexations and to involuntary annexations and providing an effective date.

Also: That the Senate has on April 30, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 671, a bill for an act relating to the recycling property exemption from property tax and including an applicability date.

Also: That the Senate has on April 30, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 680, a bill for an act relating to licenses for bait dealers by creating resident and nonresident wholesale bait dealer licenses, providing reciprocity, and providing an effective date.

Also: That the Senate has on April 30, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

Senate File 445, a bill for an act relating to the establishment of a school infrastructure financing program by providing for the sharing of revenues from local option sales and services taxes for school infrastructure purposes and providing for the use of the revenues from the local option tax for school infrastructure or property tax relief purposes and including an effective date.

Also: That the Senate has on April 30, 2003, adopted the following resolution in which the concurrence of the House is asked:

Senate Concurrent Resolution 12, a concurrent resolution supporting the United Nations' recognition of the Republic of China on Taiwan.

MICHAEL E. MARSHALL, Secretary

SENATE MESSAGE CONSIDERED

Senate File 459, by committee on appropriations, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date.

Read first time and passed on file.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 683** be immediately messaged to the Senate.

Gipp of Winneshiek asked unanimous consent for the immediate consideration of House File 701.

Objection was raised.

Gipp of Winneshiek moved to suspend the rules for the immediate consideration of House File 701.

A non-record roll call was requested.

The ayes were 51, nays 44.

The motion prevailed and the rules were suspended.

HOUSE STUDY BILL SUBCOMMITTEE ASSIGNMENT

House Study Bill 319

Ways and Means: J.K. Van Fossen, Chair; K. Kramer and Shoultz

COMMITTEE RECOMMENDATION

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the following committee recommendation has been received and is on file in the office of the Chief Clerk.

COMMITTEE ON WAYS AND MEANS

Committee Bill (Formerly House Study Bill 319), relating to the individual income tax by reducing the tax rates and number of tax brackets and including a contingent effective and applicability date provision.

Fiscal Note is not required.

Recommended **Do Pass** April 29, 2003.

Ways and Means Calendar

House File 701, a bill for an act relating to the individual income tax by reducing the tax rates and number of tax brackets and including a contingent effective and applicability date provision, was taken up for consideration.

Shoultz of Black Hawk asked and received unanimous consent to withdraw amendment H-1569 filed by him from the floor.

J. K. Van Fossen of Scott offered the following amendment H-1563 filed by him from the floor and moved its adoption:

H-1563

1 Amend House File 701 as follows:
2 1. Page 2, by inserting after line 27 the
3 following:
4 "Sec. ____ Section 422.5, subsection 2, Code 2003,
5 is amended to read as follows:
6 2. However, the tax shall not be imposed on a
7 resident or nonresident whose net income, as defined
8 in section 422.7, is ~~thirteen~~ fifteen thousand five
9 ~~hundred~~ dollars or less in the case of married persons
10 filing jointly or filing separately on a combined
11 return, unmarried heads of household, and surviving
12 spouses or ~~nine~~ eleven thousand dollars or less in the
13 case of all other persons; but in the event that the
14 payment of tax under this division would reduce the
15 net income to less than ~~thirteen~~ fifteen thousand five
16 ~~hundred~~ dollars or ~~nine~~ eleven thousand dollars as
17 applicable, then the tax shall be reduced to that
18 amount which would result in allowing the taxpayer to
19 retain a net income of ~~thirteen~~ fifteen thousand five
20 ~~hundred~~ dollars or ~~nine~~ eleven thousand dollars as
21 applicable. The preceding sentence does not apply to
22 estates or trusts. For the purpose of this
23 subsection, the entire net income, including any part
24 of the net income not allocated to Iowa, shall be
25 taken into account. For purposes of this subsection,
26 net income includes all amounts of pensions or other
27 retirement income received from any source which is
28 not taxable under this division as a result of the
29 government pension exclusions in section 422.7, or any
30 other state law. If the combined net income of a
31 husband and wife exceeds ~~thirteen~~ fifteen thousand

32 ~~five hundred~~ dollars, neither of them shall receive
33 the benefit of this subsection, and it is immaterial
34 whether they file a joint return or separate returns.
35 However, if a husband and wife file separate returns
36 and have a combined net income of thirteen fifteen
37 thousand ~~five hundred~~ dollars or less, neither spouse
38 shall receive the benefit of this paragraph, if one
39 spouse has a net operating loss and elects to carry
40 back or carry forward the loss as provided in section
41 422.9, subsection 3. A person who is claimed as a
42 dependent by another person as defined in section
43 422.12 shall not receive the benefit of this
44 subsection if the person claiming the dependent has
45 net income exceeding thirteen fifteen thousand ~~five~~
46 ~~hundred~~ dollars or ~~nine~~ eleven thousand dollars as
47 applicable or the person claiming the dependent and
48 the person's spouse have combined net income exceeding
49 thirteen fifteen thousand ~~five hundred~~ dollars or ~~nine~~
50 eleven thousand dollars as applicable.

Page 2

1 In addition, if the married persons', filing
2 jointly or filing separately on a combined return,
3 unmarried head of household's, or surviving spouse's
4 net income exceeds thirteen fifteen thousand ~~five~~
5 ~~hundred~~ dollars, the regular tax imposed under this
6 division shall be the lesser of the ~~maximum state~~
7 ~~individual income tax rate~~ product of eight percent
8 times the portion of the net income in excess of
9 thirteen fifteen thousand ~~five hundred~~ dollars or the
10 regular tax liability computed without regard to this
11 sentence. Taxpayers electing to file separately shall
12 compute the alternate tax described in this paragraph
13 using the total net income of the husband and wife.
14 The alternate tax described in this paragraph does not
15 apply if one spouse elects to carry back or carry
16 forward the loss as provided in section 422.9,
17 subsection 3."

18 2. Page 3, by inserting after line 28 the
19 following:

20 "Sec. ____ INCOME TAX IMPLEMENTATION COMMITTEE.

21 1. On or before July 1, 2003, the department of
22 revenue and finance, in consultation with the
23 department of management, shall initiate and
24 coordinate the establishment of an income tax
25 implementation committee and provide staffing
26 assistance by the committee. The income tax
27 implementation committee shall include representatives
28 of the general assembly, the department of revenue and
29 finance, the department of management, business tax
30 groups, businesses in Iowa, groups representing Iowa

31 taxpayers, certified public accountants, members of
32 the general public, and other appropriate
33 stakeholders.

34 2. The committee shall study and make
35 recommendations relating to the imposition of new
36 income tax rates, filing threshold, alternative
37 minimum tax, treatment of current exemptions, credits,
38 and deductions. The committee shall also consider
39 alternate sources of revenue for the general fund of
40 the state to replace revenue as a result from general
41 tax relief as provided for in this bill, including but
42 not limited to, sales and use taxes.

43 3. The committee shall submit to the general
44 assembly by January 1, 2004, and January 1, 2005, a
45 report for each of those years resolving issues in
46 subsection 2, and other related issues for
47 implementation of the other provisions in this Act."
48 3. Page 3, line 30, by striking the word "This"
49 and inserting the following: "Except as provided in
50 subsection 3, this".

Page 3

1 4. Page 4, by inserting after line 3 the
2 following;
3 "3. The section of this Act relating to the
4 establishment of the income tax implementation
5 committee, being deemed of immediate importance, takes
6 effect up enactment."
7 5. Title page, line 2, by inserting after the
8 word "brackets" the following: ", increasing the
9 amounts below which the tax is not imposed,
10 establishing an implementation committee,".

Amendment H-1563 was adopted.

Shoultz of Black Hawk asked and received unanimous consent to withdraw amendment H-1570 filed by him from the floor.

Kurtenbach of Story offered the following amendment H-1576 filed by him from the floor and moved its adoption:

H-1576

1 Amend House File 701 as follows:
2 1. Page 4, line 2, by striking the words "ending
3 after" and inserting the following: "beginning on or
4 after January 1 following".

Amendment H-1576 was adopted.

J.K. Van Fossen of Scott moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 701)

The ayes were, 49:

| | | | |
|------------------|------------------|---------|------------------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Bogges | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Granzow |
| Greiner | Hahn | Hansen | Heaton |
| Hoffman | Horbach | Huseman | Hutter |
| Jacobs | Jenkins | Jones | Klemme |
| Kramer | Kurtenbach | Lukan | Maddox |
| Manternach | Olson, S. | Raecker | Rasmussen |
| Rayhons | Roberts | Sands | Schickel |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wilderdye |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, 49:

| | | | |
|----------|------------|------------|-----------|
| Bell | Berry | Cohoon | Dandekar |
| Davitt | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Greimann | Hanson | Heddens | Hogg |
| Hunter | Huser | Jochum | Kuhn |
| Lalk | Lensing | Lykam | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Osterhaus |
| Paulsen | Petersen | Quirk | Reasoner |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Wendt | Whitaker | Whitead | Winckler |
| Wise | | | |

Absent or not voting, 2:

Bukta Connors

The bill having not received a constitutional majority was declared to have failed to pass the House.

MOTION TO RECONSIDER
(House File 701)

I move to reconsider the vote by which House File 701 failed to pass the House on April 30, 2003.

GIPP of Winneshiek

EXPLANATIONS OF VOTE

I was necessarily absent from the House chamber on April 29, 2003. Had I been present, I would have voted "aye" on House Resolution 42, 58, House Files 674, 675, 676, 685, 696, Senate File 442 and 444 and "nay" on Senate File 451.

MILLER of Webster

I was necessarily absent from the House chamber on April 30, 2003. Had I been present, I would have voted "aye" on Senate File 452.

SMITH of Marshall

PRESENTATION OF VISITORS

Sixty seventh grade students from Phillips Middle School, Fort Dodge, Iowa, accompanied by Sarah Holder and Mike Richardson. By Miller of Webster.

COMMUNICATIONS RECEIVED

The following communication was received and filed in the office of the Chief Clerk:

CITIZENS' AIDE / OMBUDSMAN

2002 annual report, pursuant to Chapter 2C, Code of Iowa

IOWA DEPARTMENT OF PUBLIC HEALTH

Division of Health Promotion, Prevention, and addictive Behaviors

Fiscal Report, pursuant to Chapter 100 (1)(C), Code of Iowa.

CERTIFICATES OF RECOGNITION

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

MARGARET A. THOMSON
Chief Clerk of the House

- 2003\1359 Claire D. Finney, Waterloo – For celebrating her 80th birthday.
- 2003\1360 Herb and Agnes Ludwig, Waterloo – For celebrating their 60th wedding anniversary.
- 2003\1361 Kenneth Armfield, Latimer – For celebrating his 90th birthday.
- 2003\1362 Charity Marie Ward, Rockwell – For celebrating her 80th birthday.
- 2003\1363 Calvin Jurgens Thornton – For celebrating his 80th birthday.
- 2003\1364 Lucile Meyer, Latimer – For celebrating her 80th birthday.
- 2003\1365 Clarence and Ruth Trampel, Klemme – For celebrating their 60th wedding anniversary.
- 2003\1366 Nathan Silver, Lamoni – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1367 Leoda Tschetter, Mason City – For celebrating her 90th birthday.
- 2003\1368 Matthew Matous, Mason City – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1369 Darrell and Helen Williams, Panora – For celebrating their 50th wedding anniversary.
- 2003\1370 Leo and Norma Lane, Greenfield – For celebrating their 50th wedding anniversary.
- 2003\1371 Leo and Joyce Wright, Casey – For celebrating their 60th wedding anniversary.
- 2003\1372 Gerald and Rhoda Sigler, Bayard – For celebrating their 50th wedding anniversary.
- 2003\1373 Louis and Freda Dekkenga, Ocheyedan – For celebrating their 50th wedding anniversary.
- 2003\1374 Verlene Mori, Hartley – For celebrating her 90th birthday.
- 2003\1375 Emma Byers, Sanborn – For celebrating her 100th birthday.

- 2003\1376 Andrew Jon Clarridge, Story City – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1377 Dorothy Daniels, Iowa Falls – For celebrating her 80th birthday.
- 2003\1378 Grace Lawson, Iowa Falls – For celebrating her 80th birthday.
- 2003\1379 Bert Hemmes, Iowa Falls – For celebrating his 99th birthday.
- 2003\1380 Howard Beatty, Atkins – For celebrating his 80th birthday.
- 2003\1381 Mark Tegeler, Belle Plaine – For winning the Outstanding Teacher of American History Award.
- 2003\1382 Glen and Delora Casad, Wheatland – For celebrating their 60th wedding anniversary.
- 2003\1383 John and Mary Herbst, Larchwood – For celebrating their 65th wedding anniversary.
- 2003\1384 Harvey and Mary Reinke, Larchwood – For celebrating their 63rd wedding anniversary.
- 2003\1385 Vernon and Carolyn Cook, Marion – For celebrating their 50th wedding anniversary.
- 2003\1386 Alcoa Davenport Works, Riverdale – For winning the Outstanding Environmental Stewardship Award by the Iowa Soybean Promotion Board and the National Biodiesel Board.
- 2003\1387 Eva Harlan, Hillsboro – For celebrating her 99th birthday.
- 2003\1388 Scott Carver, Muscatine – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2003\1389 Lowell and Agnes Meyer, Dubuque – For celebrating their 60th wedding anniversary.
- 2003\1390 Gerald A. and Gwendolyn Peterson, Mason City – For celebrating their 50th wedding anniversary.
- 2003\1391 Mr. and Mrs. Gary Lee Jones, Ottumwa – For celebrating their 50th wedding anniversary.
- 2003\1392 Elsie Renner, Ames – For celebrating her 80th birthday.
- 2003\1393 Chester Frank Renner, Ames – For celebrating his 85th birthday.

SUBCOMMITTEE ASSIGNMENTS

House File 696

Ways and Means: B. Hansen, Chair; Hogg, Huser, Lukan and Sands.

Senate File 448

Ways and Means: K. Kramer, Chair; Paulsen and Winckler.

HOUSE STUDY BILL SUBCOMMITTEE ASSIGNMENT

House Study Bill 318

Ways and Means: J.K. Van Fossen, Chair; K. Kramer and Shoultz.

COMMITTEE RECOMMENDATIONS

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

MARGARET A. THOMSON
Chief Clerk of the House

COMMITTEE ON APPROPRIATIONS

Committee Bill (Formerly LSB 1133HC), relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates.

Fiscal Note is required.

Recommended **Amend and Do Pass** April 29, 2003.

Committee Bill (Formerly LSB 3544YC), relating to Iowa agricultural industry finance corporation, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date.

Fiscal Note is required.

Recommended **Do Pass** April 29, 2003.

Senate File 440, a bill for an act providing for an annual increase in specified state aid to nonpublic schools under prescribed circumstances.

Fiscal Note is required.

Recommended **Do Pass** April 29, 2003.

COMMITTEE ON WAYS AND MEANS

Committee Bill (Formerly House Study Bill 318), proposing an amendment to the Constitution of the State of Iowa relating to certain state tax rate changes.

Fiscal Note is not required.

Recommended **Do Pass** April 29, 2003.

Senate File 448, a bill for an act relating to criminal offenders and inmates including credit for time served by operating-while-intoxicated offenders, pretrial release guidelines, treatment and education of inmates at various correctional facilities, release of presentence reports, optional inmate treatment and education provision, expansion of and appeals regarding earned time credits, change to the inmate savings and inmate telephone rebate fund, expansion of the accessibility of the deferred judgment docket, payment of supervision fees, payment of restitution, creating criminal offenses for persons under the interstate compact for adult offender supervision, creating a fund, providing for a fee, and providing penalties.

Fiscal Note is not required.

Recommended **Do Pass** April 30, 2003.

RESOLUTIONS FILED

HCR 22, by Manternach, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship.

Laid over under **Rule 25**.

HR 61, by Heaton a resolution relating to the shortage of nursing home administrators and requesting the State Board of Examiners for Nursing Home Administrators to make recommendations for addressing the shortage.

Laid over under **Rule 25**.

SCR 12, by Black, a concurrent resolution supporting the United Nations' recognition of the Republic of China on Taiwan.

Laid over under **Rule 25**.

AMENDMENTS FILED

| | | | |
|--------|------|-----|-------------------------|
| H—1522 | S.F. | 440 | Winckler of Scott |
| H—1523 | S.F. | 440 | Winckler of Scott |
| H—1524 | S.F. | 440 | Stevens of Dickinson |
| H—1525 | S.F. | 440 | Stevens of Dickinson |
| H—1526 | S.F. | 440 | Mascher of Johnson |
| H—1527 | S.F. | 440 | Winckler of Scott |
| H—1528 | S.F. | 440 | Lensing of Johnson |
| H—1529 | S.F. | 440 | Mascher of Johnson |
| H—1530 | S.F. | 440 | Mascher of Johnson |
| H—1531 | S.F. | 440 | Lensing of Johnson |
| H—1532 | S.F. | 440 | Lensing of Johnson |
| H—1533 | S.F. | 440 | Stevens of Dickinson |
| H—1534 | S.F. | 440 | Stevens of Dickinson |
| H—1543 | S.F. | 440 | Stevens of Dickinson |
| H—1544 | S.F. | 440 | Mascher of Johnson |
| H—1545 | S.F. | 440 | Wendt of Woodbury |
| H—1546 | S.F. | 440 | Stevens of Dickinson |
| H—1548 | S.F. | 440 | Mascher of Johnson |
| H—1551 | S.F. | 440 | Stevens of Dickinson |
| H—1552 | S.F. | 440 | Mascher of Johnson |
| H—1553 | S.F. | 440 | Mascher of Johnson |
| H—1554 | S.F. | 440 | Mascher of Johnson |
| H—1555 | S.F. | 440 | Stevens of Dickinson |
| H—1556 | S.F. | 440 | Mascher of Johnson |
| H—1557 | S.F. | 440 | Mascher of Johnson |
| H—1561 | S.F. | 440 | Stevens of Dickinson |
| H—1562 | H.F. | 700 | Heaton of Henry |
| H—1566 | H.F. | 700 | Winckler of Scott |
| | | | Lensing of Johnson |
| | | | Stevens of Dickinson |
| | | | Murphy of Dubuque |
| H—1567 | H.F. | 543 | Senate Amendment |
| H—1568 | H.F. | 679 | Senate Amendment |
| H—1572 | H.F. | 700 | Horbach of Tama |
| | | | Heaton of Henry |
| H—1573 | H.F. | 700 | Carroll of Poweshiek |
| H—1574 | H.F. | 700 | Schickel of Cerro Gordo |
| | | | Raecker of Polk |
| | | | Tjepkes of Webster |
| | | | Hoffman of Crawford |

| | | | |
|--------|------|-----|------------------|
| H—1575 | H.F. | 700 | Dix of Butler |
| H—1577 | H.F. | 700 | Wise of Lee |
| | | | Dandekar of Linn |
| | | | Bell of Jasper |
| H—1578 | H.F. | 549 | Senate Amendment |
| H—1579 | H.F. | 595 | Senate Amendment |

On motion by Gipp of Winneshiek the House adjourned at 11:10 p.m., until 8:45 a.m., Thursday, May 1, 2003.

JOURNAL OF THE HOUSE

One Hundred Ninth Calendar Day - Seventy-eighth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Thursday, May 1, 2003

The House met pursuant to adjournment at 8:49 a.m., Speaker Rants in the chair.

Prayer was offered by Don Bramschreiber, lay pastor of the First Baptist Church of Ottumwa. He was the guest of Representative Gaskill of Wapello County.

The Journal of Wednesday, April 30, 2003 was approved.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Baudler of Adair, until his arrival, on request of Speaker Rants.

SPECIAL PRESENTATION TO HOUSE PAGES

Speaker Rants invited the House Pages to the Speaker's station for a special presentation and thanked them for their service to the House of Representatives.

Certificates of excellence for serving with honor and distinction as a House Page during the First Regular Session of the Eightieth General Assembly were presented to the following Pages by Speaker Rants, Majority Leader Chuck Gipp of Winneshiek and Minority Leader Richard Myers of Johnson:

Dean E. Calkins, Jr.
Megan Cross
Taryn Dozark
Adam Frei
Amelia Gauger
Brent Geels
Corey Goerd

Benjamin J. Paladino
Lizzie Phillips
Jessica Rundlett
Kathleen Schaben
Timothy Schutte
Nick Sievert
Elizabeth Skilton

Laura Harson
Megan Horan
Cynthia McAfee
April Myers
Klaire O'Rourke
Natalie Owens

Sadie Stellish
Wade Summers
Noah Udelhoven
Rachel Van Fossen
Megan Warner

Gipp of Winneshiek asked and received unanimous consent for the immediate consideration of House File 700.

CONSIDERATION OF BILLS Appropriations Calendar

House File 700, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates, was taken up for consideration.

The House stood at ease at 9:11 a.m., until the fall of the gavel.

The House resumed session at 11:44 a.m., Speaker Rants in the chair.

Carroll of Poweshiek offered amendment H-1573 filed by him as follows:

H-1573

- 1 Amend House File 700 as follows:
- 2 1. Page 1, by inserting after line 2, the
- 3 following:
- 4 "Section 1. Section 426B.5, subsection 2,
- 5 paragraph d, subparagraphs (1) and (6), Code 2003, are
- 6 amended to read as follows:
- 7 (1) A county must apply to the board for
- 8 assistance from the risk pool on or before ~~April 1~~
- 9 January 25 to cover an unanticipated net expenditure
- 10 amount in excess of the county's current fiscal year
- 11 budgeted net expenditure amount for the county's
- 12 services fund. The risk pool board shall make its
- 13 final decisions on or before February 25 regarding
- 14 acceptance or rejection of the applications for
- 15 assistance and the total amount accepted shall be
- 16 considered obligated. For purposes of applying for
- 17 risk pool assistance and for repaying unused risk pool
- 18 assistance, the current fiscal year budgeted net

19 expenditure amount shall be deemed to be the higher of
 20 either the budgeted net expenditure amount in the
 21 management plan approved under section 331.439 for the
 22 fiscal year in which the application is made or the
 23 prior fiscal year's net expenditure amount.

24 (6) The total amount of risk pool assistance shall
 25 be limited to the amount available in the risk pool
 26 for a fiscal year. If the total amount of eligible
 27 assistance exceeds the amount available in the risk
 28 pool the amount of assistance paid shall be prorated
 29 among the counties eligible for assistance. Moneys
 30 remaining unexpended or unobligated in the risk pool
 31 ~~at the close of a fiscal year shall remain available~~
 32 ~~for distribution in the succeeding fiscal year~~
 33 following the risk pool board's decisions made
 34 pursuant to subparagraph (1) shall be distributed to
 35 the counties eligible to receive funding from the
 36 allowed growth factor adjustment appropriation for the
 37 fiscal year using the distribution methodology
 38 applicable to that appropriation."

39 2. Page 1, by inserting after line 25 the
 40 following:

41 "Sec. ____ 2002 Iowa Acts, chapter 1175, section
 42 104, subsections 2, 4 and 5, as amended by 2003 Iowa
 43 Acts, House File 667, section 41, are amended to read
 44 as follows:

45 2. The following formula amounts shall be utilized
 46 only to calculate preliminary distribution amounts for
 47 fiscal year 2003-2004 under this section by applying
 48 the indicated formula provisions to the formula
 49 amounts and producing a preliminary distribution total
 50 for each county:

Page 2

| | | |
|----|--|-------------------|
| 1 | a. For calculation of an allowed growth factor | |
| 2 | adjustment amount for each county in accordance with | |
| 3 | the formula in section 331.438, subsection 2, | |
| 4 | paragraph "b": | |
| 5 | | \$ 12,000,000 |
| 6 | b. For calculation of a distribution amount for, | |
| 7 | eligible counties from the per capita expenditure | |
| 8 | target pool created in the property tax relief fund in | |
| 9 | accordance with the requirements in section 426B.5, | |
| 10 | subsection 1: | |
| 11 | | \$ 12,492,712 |
| 12 | | <u>14,492,000</u> |
| 13 | c. For calculation of a distribution amount for | |
| 14 | counties from the mental health and developmental | |
| 15 | disabilities (MH/DD) community services fund in | |
| 16 | accordance with the formula provided in the | |
| 17 | appropriation made for the MH/DD community services | |

18 fund for the fiscal year beginning July 1, 2003:
19 \$ 17,727,890
20 4. After applying the applicable statutory
21 distribution formulas to the amounts indicated in
22 subsection 2 for purposes to produce preliminary
23 distribution totals, the department of human services
24 shall apply a withholding factor to adjust an eligible
25 individual county's preliminary distribution total.
26 An ending balance percentage for each county shall be
27 determined by expressing the county's ending balance
28 on a modified accrual basis under generally accepted
29 accounting principles for the fiscal year beginning
30 July 1, 2002, in the county's mental health, mental
31 retardation, and developmental disabilities services
32 fund created under section 331.424A, as a percentage
33 of the county's gross expenditures from that fund for
34 that fiscal year. The withholding factor for a county
35 shall be the following applicable percent:
36 a. For an ending balance percentage of less than
37 10 percent, a withholding factor of 0 percent. In
38 addition to the county's adjusted distribution total,
39 a county that is subject to this paragraph "a" shall
40 receive an inflation adjustment equal to 2.6 percent
41 of the gross expenditures reported for the county's
42 services fund for that fiscal year.
43 b. For an ending balance percentage of 10 through
44 24 percent, a withholding factor of 25 percent.
45 c. For an ending balance percentage of 25 through
46 34 percent, a withholding factor of 60 percent.
47 ~~d. For an ending balance percentage of 35 through~~
48 ~~44 percent, a withholding factor of 85 percent.~~
49 ~~e. d.~~ For an ending balance percentage of 45 35
50 percent or more, a withholding factor of 100 percent.

Page 3

1 5. The total withholding amounts applied pursuant
2 to subsection 4 shall be equal to a withholding target
3 amount of \$7,419,074 ~~and the appropriation enacted by~~
4 ~~the Eightieth General Assembly, 2003 Session, for the~~
5 ~~MH/DD community services fund shall be reduced by the~~
6 ~~amount necessary to attain the withholding target~~
7 ~~amount \$9,418,362.~~ If the department of human
8 services determines that the amount to be withheld in
9 accordance with subsection 4 is not equal to the
10 target withholding amount, the department shall adjust
11 the withholding factors listed in subsection 4 as
12 necessary to achieve the withholding target amount.
13 However, in making such adjustments to the withholding
14 factors, the department shall strive to minimize
15 changes to the withholding factors for those ending
16 balance percentage ranges that are lower than others

- 17 and shall not adjust the zero withholding factor or
18 the inflation adjustment percentage specified in
19 subsection 4, paragraph "a".

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed seventy-five members present, twenty-five absent.

On motion by Carroll of Poweshiek, amendment H-1573 was adopted.

Murphy of Dubuque offered the following amendment H-1586 filed by Fallon of Polk from the floor and moved its adoption:

H-1586

- 1 Amend House File 700 as follows:
2 1. Page 2, by striking lines 23 through 30.

Roll call was requested by Fallon of Polk and Myers of Johnson.

Rule 75 was invoked.

On the question "Shall amendment H-1586 be adopted?" (H.F. 700)

The ayes were, 46:

| | | | |
|-----------|-----------|------------|------------|
| Bell | Berry | Cohoon | Connors |
| Dandekar | Davitt | Fallon | Foege |
| Ford | Frevert | Gaskill | Gipp |
| Greimann | Heddens | Hogg | Hunter |
| Huser | Jochum | Kuhn | Lensing |
| Lykam | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Osterhaus | Petersen | Quirk |
| Reasoner | Shoultz | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Wendt | Whitaker | Whitead |
| Winckler | Wise | | |

The nays were, 49:

| | | | |
|------------------|------------------|-----------|-------------|
| Alons | Arnold | Boal | Boddicker |
| Bogges | Carroll | Chambers | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Freeman | Granzow |
| Hahn | Hanson | Heaton | Hoffman |
| Horbach | Huseman | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lalk | Lukan | Maddox |
| Manternach | Olson, S. | Paulsen | Raecker |
| Rasmussen | Rayhons | Roberts | Sands |
| Schickel | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.R. | Watts | Wilderdyeke |
| Mr. Speaker | | | |
| Rants | | | |

Absent or not voting, 5:

| | | | |
|------------------|-------|---------|--------|
| Baudler | Bukta | Greiner | Hansen |
| Van Fossen, J.K. | | | |

Amendment H-1586 lost.

Speaker pro tempore Carroll in the chair at 12:30 p.m.

Wise of Lee offered the following amendment H-1577 filed by Wise, et al., and moved its adoption:

H-1577

- 1 Amend House File 700 as follows:
- 2 1. Page 3, line 1, by striking the word "fifty-
- 3 six" and inserting the following: "sixty-six".
- 4 2. Page 7, by inserting after line 3 the
- 5 following:
- 6 "Sec. . CASH RESERVE. There is appropriated
- 7 from the cash reserve fund to the general fund of the
- 8 state for the fiscal year beginning July 1, 2003, and
- 9 ending June 30, 2004, the sum of \$10,000,000."
- 10 3. Page 34, by striking lines 6 through 28 and
- 11 inserting the following: "are amended to read as
- 12 follows:
- 13 6. For the fiscal year beginning July 1, ~~2004~~
- 14 ~~2003~~, and ending June 30, ~~2002~~ 2004, to the department
- 15 of education from phase III moneys, the amount of
- 16 seventy-five thousand dollars to administer the
- 17 ambassador to education position in accordance with
- 18 section 256.45.
- 19 10. For the fiscal year beginning July 1, ~~2004~~

20 2003, and ending June 30, 2002 2004, to the department
 21 of education from phase III moneys the amount of
 22 forty-seven thousand dollars for the Iowa mathematics
 23 and science coalition."

Roll call was requested by Wise of Lee and T. Taylor of Linn.

Rule 75 was invoked.

On the question "Shall amendment H-1577 be adopted?" (H.F. 700)

The ayes were, 46:

| | | | |
|-----------|-----------|------------|------------|
| Arnold | Bell | Berry | Cohon |
| Connors | Dandekar | Davitt | Fallon |
| Foege | Ford | Frevert | Gaskill |
| Greimann | Heddens | Hogg | Hunter |
| Huser | Jochum | Kuhn | Lensing |
| Lykam | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Osterhaus | Petersen | Quirk |
| Reasoner | Shoultz | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Wendt | Whitaker | Whitead |
| Winckler | Wise | | |

The nays were, 52:

| | | | |
|------------------|-----------|------------------|------------------|
| Alons | Boal | Boddicker | Bogges |
| Carroll | Chambers | De Boef | Dennis |
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Freeman | Gipp | Granzow |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Hoffman | Horbach | Huseman |
| Hutter | Jacobs | Jenkins | Jones |
| Klemme | Kramer | Kurtenbach | Lalk |
| Lukan | Maddox | Manternach | Olson, S. |
| Paulsen | Raecker | Rasmussen | Rayhons |
| Roberts | Sands | Schickel | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wilderdike | Mr. Speaker |
| | | | Rants |

Absent or not voting, 2:

Baudler Bukta

Amendment H-1577 lost.

Dix of Butler offered amendment H-1582 filed by him from the floor as follows:

H-1582

1 Amend House File 700 as follows:

2 1. Page 5, by inserting after line 10 the
3 following:

4 "Sec.____. REDUCTION IN CREDITS NOT APPLICABLE.

5 The provision in section 25B.7 relating to the
6 proration of the property tax credits does not apply
7 with respect to the amount of state reimbursement for
8 property tax credits under this division."

9 2. Page 5, line 22, by inserting after the figure
10 "8.62," the following: "except for the balances of
11 charter agencies, as defined in section 7J.1, if
12 enacted by 2003 Iowa Acts, Senate File 453,".

13 3. Page 6, by inserting after line 11 the
14 following:

15 "Sec.____. REBUILD IOWA INFRASTRUCTURE FUND.

16 Notwithstanding section 8.57, subsection 5, there is
17 appropriated from the rebuild Iowa infrastructure fund
18 created in section 8.57, subsection 5, to the general
19 fund of the state during the fiscal year beginning
20 July 1, 2003, and ending June 30, 2004, the following
21 amount:

22 \$ 10,000,000

23 Sec.____. IOWA LAW ENFORCEMENT ACADEMY. 2003 Iowa
24 Acts, Senate File 439, section 10, subsection 1,
25 unnumbered paragraph 2, if enacted, is amended to read
26 as follows:

27 For salaries, support, maintenance, miscellaneous
28 purposes, including jailer training and technical
29 assistance, and for not more than the following full-
30 time equivalent positions:

31 \$ 1,002,629

32 1,047,629

33 FTEs 30.05

34 Sec.____. MILITARY PAY DIFFERENTIAL. There is
35 appropriated from the cash reserve fund to the
36 department of revenue and finance or its successor
37 agency for the period beginning March 19, 2003, and
38 ending June 30, 2003, the following amount, or so much
39 thereof as is necessary, for the purposes designated:

40 For a military pay differential program and health
41 insurance retention program for individuals activated
42 for the armed services of the United States, for
43 employees on the central payroll system:

44 \$ 1,810,000

45 Of the funds appropriated in this section, up to

46 \$10,000 is transferred to the Iowa department of
47 public health for allocation to community mental
48 health centers to provide counseling services to
49 persons who are members of the national guard and
50 reservists activated but as yet not sent to combat

Page 2

1 zones and to the persons' family members. The
2 sessions shall be provided on a first come, first
3 served basis and shall be limited to three visits per
4 family.

5 The department or agency receiving funds under this
6 section shall report monthly to the fiscal committee
7 of the legislative council on the use of the funds.

8 Notwithstanding section 8.33, unencumbered or
9 unobligated funds remaining on June 30, 2003, from the
10 appropriation made in this section shall not revert
11 but shall remain available to be used for the purposes
12 designated in the following fiscal year.

13 Sec.____. ASSISTED LIVING PROGRAMS.

14 Notwithstanding section 231C.6, any fees remaining on
15 June 30, 2003, in the assisted living program fund
16 created pursuant to section 231C.6 are appropriated to
17 the department of inspections and appeals for the
18 fiscal year beginning July 1, 2003, and ending June
19 30, 2004, to carry out the purposes of chapter 231C."

20 4. Page 7, by inserting after line 3 the
21 following:

22 "Sec.____. COUNTY HOSPITALS. There is
23 appropriated from the general fund of the state to the
24 department of human services for the fiscal year
25 beginning July 1, 2003, and ending June 30, 2004, the
26 following amount, or so much thereof as is necessary,
27 for the purpose designated:

28 For support of operational expenses of county
29 hospitals in counties having a population of two
30 hundred twenty-five thousand or more:

31 \$ 312,000

32 Sec.____. WORKFORCE DEVELOPMENT. There is
33 appropriated from the general fund of the state to the
34 Iowa department of workforce development for the
35 fiscal year beginning July 1, 2003, and ending June
36 30, 2004, the following amount, or so much thereof as
37 is necessary, for the purpose designated:

38 For salaries and support and for the following
39 full-time equivalent positions.

40 \$ 250,000

41 FTEs 5.00

42 The appropriation in this section shall be used for
43 four OSHA inspectors and one workers' compensation
44 compliance officer. The appropriation in this section

45 is contingent upon the enactment of 2003 Iowa Acts,
46 Senate File 344, by the Eightieth General Assembly,
47 2003 Regular Session."

48 5. Page 9, by inserting after line 19 the
49 following:

50 "Sec. ____ Section 256D.4, subsection 2,

Page 3

1 unnumbered paragraph 1, Code 2003, is amended to read
2 as follows:

3 ~~For each fiscal year in the fiscal period beginning~~
4 ~~July 1, 2001, and ending June 30, 2003, moneys~~ Moneys
5 appropriated pursuant to section 256D.5, subsection 3,
6 shall be allocated to school districts as follows:

7 Sec. ____ Section 256D.5, subsection 3, Code 2003,
8 is amended to read as follows:

9 3. For each fiscal year of the fiscal period
10 beginning July 1, 2001, and ending June 30, ~~2003~~ 2004,
11 the sum of thirty million dollars."

12 6. Page 10, by inserting after line 25 the
13 following:

14 "Sec. ____ Section 294A.25, subsection 10, Code
15 2003, is amended to read as follows:

16 10. ~~For the each fiscal year beginning July 1,~~
17 ~~2001, and ending June 30, 2002, to the department of~~
18 ~~education from phase III moneys~~ the amount of forty-
19 seven thousand dollars for the Iowa mathematics and
20 science coalition."

21 7. Page 11, by inserting after line 5 the
22 following:

23 "Sec. ____ 2002 Iowa Acts, chapter 1173, section
24 18, is amended to read as follows:

25 SEC. 18. POOLED TECHNOLOGY FUNDING – PRIOR
26 ALLOCATIONS – NONREVERSION. Notwithstanding section
27 8.33, moneys appropriated and allocated in 2001 Iowa
28 Acts, chapter 189, section 5, subsection 1, which
29 remain unobligated or unexpended at the close of the
30 fiscal year for which they were appropriated shall not
31 revert, but shall remain available for expenditure for
32 the purposes for which they were appropriated and
33 allocated, for the fiscal year period beginning July
34 1, 2002, and ending June 30, ~~2003~~ 2004."

35 8. Page 11, by inserting after line 32 the
36 following:

37 "Sec. ____ 2003 Iowa Acts, House File 655, section
38 24, if enacted, is amended to read as follows:

39 SEC. 24. READY TO WORK PROGRAM COORDINATOR. There
40 is appropriated from the ~~surplus funds in the long-~~
41 ~~term disability reserve fund and the workers'~~
42 compensation trust fund to the department of personnel
43 for the fiscal year beginning July 1, 2003, and ending

44 June 30, 2004, the following amount, or so much
45 thereof as is necessary, to be used for the purposes
46 designated:
47 For the salary, support, and miscellaneous expenses
48 for the ready to work program and coordinator:
49 \$ 89,416
50 ~~The moneys appropriated pursuant to this section~~

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1 ~~shall be taken in equal proportions from the long term~~
2 ~~disability reserve fund and the workers' compensation~~
3 ~~trust fund.~~
4 Sec. ____ 2003 Iowa Acts, House File 655, section
5 34, if enacted, is amended to read as follows:
6 SEC. 34. READY TO WORK PROGRAM COORDINATOR. There
7 is appropriated from the surplus funds in the long-
8 term disability reserve fund and the workers'
9 compensation trust fund to the department of
10 administrative services for the fiscal year beginning
11 July 1, 2003, and ending June 30, 2004, the following
12 amount, or so much thereof as is necessary, to be used
13 for the purposes designated:
14 For the salary, support, and miscellaneous expenses
15 for the ready to work program and coordinator:
16 \$ 89,416

17 ~~The moneys appropriated pursuant to this section~~
18 ~~shall be taken in equal proportions from the long term~~
19 ~~disability reserve fund and the workers' compensation~~
20 ~~trust fund.~~
21 Sec. ____ CONTINGENT CASH RESERVE APPROPRIATION.
22 1. There is appropriated from the cash reserve
23 fund to the general fund of the state for the fiscal
24 year beginning July 1, 2002, and ending June 30, 2003,
25 for the purposes of reducing or preventing any
26 overdraft on or deficit in the general fund of the
27 state, an amount not to exceed \$50,000,000.
28 2. The appropriation made in subsection 1 is
29 contingent upon all of the following having occurred:
30 a. The revenue estimating conference estimate of
31 general fund receipts made during the last quarter of
32 the fiscal year was or the actual fiscal year receipts
33 and accruals were at least one-half of one percent
34 less than the comparable estimate made during the
35 third quarter of the fiscal year.
36 b. The governor has implemented the uniform
37 reductions in appropriations required in section 8.31
38 as a result of paragraph "a" and such reduction was
39 insufficient to prevent an overdraft on or deficit in
40 the general fund of the state or the governor did not
41 implement uniform reductions in appropriations because
42 of the lateness of the estimated or actual receipts

43 and accruals under paragraph "a".
44 c. The balance of the general fund of the state at
45 the end of the fiscal year prior to the appropriation
46 made in subsection 1 was negative.
47 d. The governor has issued an official
48 proclamation and has notified the cochairpersons of
49 the fiscal committee of the legislative council and
50 the legislative services agency that the contingencies

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1 in paragraphs "a" through "c" have occurred and the
2 reasons why the uniform reductions specified in
3 paragraph "b" were insufficient or were not
4 implemented to prevent an overdraft on or deficit in
5 the general fund of the state.

6 3. If an appropriation is made pursuant to
7 subsection 1 for a fiscal year, there is appropriated
8 from the general fund of the state to the cash reserve
9 fund for the following fiscal year, the amount of the
10 appropriation made pursuant to subsection 1."

11 9. Page 12, by inserting after line 2 the
12 following:

13 "___ The section amending 2002 Iowa Acts, chapter
14 1173, section 18, relating to the nonreversion of
15 pooled technology funding.

16 ___ The section appropriating moneys from the
17 cash reserve fund for the military pay differential
18 program. This section applies retroactively to March
19 19, 2003.

20 ___ The section appropriating moneys from the
21 assisted living program fund.

22 ___ The section making the contingent
23 appropriation from the cash reserve fund."

24 10. Page 13, by inserting after line 9 the
25 following:

26 "___ The collective bargaining agreement
27 negotiated pursuant to chapter 20 for employees in the
28 patient care bargaining unit.

29 ___ The collective bargaining agreement
30 negotiated pursuant to chapter 20 for employees in the
31 science bargaining unit."

32 11. Page 23, by inserting after line 34 the
33 following:

34 "Sec. ___. Section 7J.1, subsection 1, if enacted
35 by 2003 Iowa Acts, Senate File 453, is amended to read
36 as follows:

37 7J.1 CHARTER AGENCIES.

38 1. DESIGNATION OF CHARTER AGENCIES – PURPOSE.

39 The governor may, by executive order, designate ~~up to~~
40 ~~five~~ state departments or agencies, as described in
41 section 7E.5, other than the department of

42 administrative services, if the department is
43 established in law, or the department of management,
44 as a charter agency by July 1, 2003. The designation
45 of a charter agency shall be for a period of five
46 years which shall terminate as of June 30, 2008. The
47 purpose of designating a charter agency is to grant
48 the agency additional authority as provided by this
49 chapter while reducing the total appropriations to the
50 agency.

Page 6

1 Sec.____. Section 7J.1, subsection 3, paragraph a,
2 if enacted by 2003 Iowa Acts, Senate File 453, is
3 amended to read as follows:
4 a. It is the intent of the general assembly that
5 state general fund operating appropriations to a
6 charter agency for any the fiscal year beginning July
7 1, 2003, and ending June 30, 2004, shall be reduced,
8 with a target reduction of ten percent for each
9 charter agency, from the appropriation that would
10 otherwise have been enacted for that charter agency
11 which, along with any additional generated revenue to
12 the general fund of the state attributed to the
13 reinvention process as determined by the department of
14 management, over that already committed to the general
15 fund of the state by a charter agency, will achieve an
16 overall target of fifteen million dollars.

17 Sec.____. Section 7J.2, if enacted by 2003 Iowa
18 Acts, Senate File 453, is amended to read as follows:
19 7J.2 CHARTER AGENCY LOAN GRANT FUND.
20 1. A charter agency loan grant fund is created in
21 the state treasury under the control of the department
22 of management for the purpose of providing funding to
23 support innovation by those state agencies designated
24 as charter agencies in accordance with section 7J.1.
25 Innovation purposes shall include but are not limited
26 to training, development of outcome measurement
27 systems, management system modifications, and other
28 modifications associated with transition of operations
29 to charter agency status. Moneys in the fund are
30 appropriated to the department of management for the
31 purposes described in this subsection.
32 2. A charter agency requesting a loan grant from
33 the fund shall complete an application process
34 designated by the director of the department of
35 management. Minimum loan requirements for charter
36 agency requests shall be determined by the director.
37 3. In order for the fund to be self-supporting,
38 the director of the department of management shall
39 establish repayment schedules for each loan awarded.
40 An agency shall repay the loan over a period not to

41 exceed five years with interest, at a rate to be
42 determined by the director.
43 4. 3. Notwithstanding section 12C.7, subsection 2,
44 interest or earnings on moneys deposited in the
45 charter agency ~~loan grant~~ fund shall be credited to
46 the charter agency ~~loan grant~~ fund. Notwithstanding
47 section 8.33, moneys credited to the charter agency
48 ~~loan grant~~ fund shall not revert to the fund from
49 which appropriated at the close of a fiscal year.
50 Sec. _____. Section 8.23, subsection 1, paragraph a,

Page 7

1 Code 2003, is amended by striking the paragraph.
2 Sec. _____. Section 8.31, Code 2003, is amended to
3 read as follows:
4 8.31 QUARTERLY REQUISITIONS – ALLOTMENTS OF
5 APPROPRIATIONS – EXCEPTIONS – MODIFICATIONS.
6 1. a. Before an appropriation ~~for administration,~~
7 ~~operation and maintenance~~ of any department or
8 establishment ~~shall become~~ becomes available, ~~there~~
9 ~~shall be submitted~~ the department or establishment
10 shall submit to the director of the department of
11 management, ~~not less than twenty days before the~~
12 ~~beginning of each quarter of each fiscal year, a~~
13 ~~requisition for an allotment of the amount estimated~~
14 ~~to be necessary to carry on its work~~ appropriation
15 according to dates identified in the requisition
16 during the ensuing quarter fiscal year by which
17 portions of the appropriation will be needed. The
18 department or establishment shall submit the
19 requisition by June 1, prior to the start of a fiscal
20 year or by another date identified by the director.
21 The requisition shall contain details of proposed
22 expenditures as may be required by the director ~~of the~~
23 ~~department of management~~ subject to review by the
24 governor.
25 b. The director of the department of management
26 shall approve the allotments subject to review by the
27 governor, unless it is found that the estimated budget
28 resources during the fiscal year are insufficient to
29 pay all appropriations in full, in which event such
30 allotments may be modified to the extent the governor
31 may deem necessary in order that there shall be no
32 overdraft or deficit in the several funds of the state
33 at the end of the fiscal year, and the director shall
34 submit copies of the allotments thus approved or
35 modified to the head of the department or
36 establishment concerned, who shall set up such
37 allotments on the books and be governed accordingly in
38 the control of expenditures.
39 ~~Allotments of appropriations made for equipment,~~

40 land, permanent improvements, and other capital
41 projects may, however, be allotted in one amount by
42 major classes or projects for which they are
43 expendable without regard to quarterly periods. For
44 fiscal years beginning on or after July 1, 1989,
45 allotments of appropriations for equipment, land,
46 permanent improvements, and other capital projects,
47 except where contracts have been entered into with
48 regard to the acquisition or project prior to July 1,
49 1989, shall not be allotted in one amount but shall be
50 allotted at quarterly periods as provided in this

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1 section.

2 2. Allotments thus made in accordance with
3 subsection 1 may be subsequently modified by the
4 director of the department of management at the
5 direction of the governor either upon the written
6 request of the head of the department or establishment
7 concerned, or in the event the governor finds that the
8 estimated budget resources during the fiscal year are
9 insufficient to pay all appropriations in full, upon
10 the governor's own initiative to the extent the
11 governor may deem necessary in order that there shall
12 be no overdraft or deficit in the several funds of the
13 state at the end of the fiscal year; and the head of
14 the department or establishment shall be given notice
15 of a modification in the same way as in the case of
16 original allotments.

17 3. ~~Provided, however, that the~~ The allotment
18 requests of all departments and establishments
19 collecting governmental fees and other revenue which
20 supplement a state appropriation shall attach to the
21 summary of requests a statement showing how much of
22 the proposed allotments are to be financed from (4)
23 state appropriations, (2) stores, and (3) repayment
24 receipts.

25 4. The procedure to be employed in controlling the
26 expenditures and receipts of the state fair board and
27 the institutions under the state board of regents,
28 whose collections are not deposited in the state
29 treasury, is that outlined in section 421.31,
30 subsection 6.

31 5. If the governor determines that the estimated
32 budget resources during the fiscal year are
33 insufficient to pay all appropriations in full, the
34 reductions shall be uniform and prorated between all
35 departments, agencies and establishments upon the
36 basis of their respective appropriations.

37 6. Allotments from appropriations for the foreign
38 trade offices of the department of economic

39 development, if the appropriations are described by
40 line item in the department's appropriation Act or
41 another Act, may be made ~~without regard to quarterly~~
42 ~~periods~~ as is necessary to take advantage of the most
43 favorable foreign currency exchange rates.
44 Sec. ____ Section 8.57, subsection 1, paragraph c,
45 Code 2003, is amended to read as follows:
46 c. The amount appropriated in this section is not
47 subject to the provisions of section 8.31, relating to
48 ~~quarterly~~ requisitions and allotment, or to section
49 8.32, relating to conditional availability of
50 appropriations."

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1 12. Page 24, by inserting after line 9 the
2 following:
3 "Sec. ____ Section 12C.27, Code 2003, is amended
4 by striking the section and inserting in lieu thereof
5 the following:
6 12C.27 FAILURE TO MAINTAIN REQUIRED COLLATERAL.
7 If treasurer of state determines that a bank fails
8 to comply with chapter 12C.22, subsections 2 and 3,
9 the treasurer of state may restrict that bank from
10 accepting uninsured public funds and shall notify the
11 office of thrift supervision, the office of the
12 comptroller of the currency, or the superintendent as
13 applicable, who may take such action against the bank,
14 its board of directors and officers as permitted by
15 law."
16 13. Page 24, by inserting after line 30 the
17 following:
18 "Sec. ____ Section 15E.42, subsection 3, Code
19 2003, is amended to read as follows:
20 3. "Investor" means an individual making a cash
21 investment in a qualifying business or an individual
22 taxed on income from a revocable trust's cash
23 investment in a qualifying business or a person making
24 a cash investment in a community-based seed capital
25 fund. "Investor" does not include a person which is a
26 current or previous owner, member, or shareholder in a
27 qualifying business.
28 Sec. ____ Section 15E.43, subsection 1, paragraph
29 a, Code 2003, is amended to read as follows:
30 a. For tax years beginning on or after January 1,
31 2002, a tax credit shall be allowed against the taxes
32 imposed in chapter 422, division II, for a portion of
33 an individual taxpayer's equity investment, as
34 provided in subsection 2, in a qualifying business.
35 An individual shall not claim a tax credit under this
36 paragraph of a partnership, limited liability company,
37 S corporation, estate, or trust electing to have

38 income taxed directly to the individual. However, an
39 individual receiving income from a revocable trust's
40 investment in a qualified business may claim a tax
41 credit under this paragraph against the taxes imposed
42 in chapter 422, division II, for a portion of the
43 revocable trust's equity investment, as provided in
44 subsection 2, in a qualified business.
45 Sec. _____. Section 15E.43, subsection 1, Code 2003,
46 is amended by adding the following new paragraph:
47 **NEW PARAGRAPH.** d. In the case of a tax credit
48 allowed against the taxes imposed in chapter 422,
49 division II, where the taxpayer died prior to
50 redeeming the entire tax credit, the remaining credit

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1 can be redeemed on the decedent's final income tax
2 return.

3 Sec. _____. Section 15E.45, subsection 2, paragraph
4 c, Code 2003, is amended to read as follows:

5 c. The fund has no fewer than ten individual
6 investors who are not affiliates, with no single
7 investor and affiliates of that investor together
8 owning a total of more than twenty-five percent of the
9 ownership interests outstanding in the fund.

10 Sec. _____. Section 15E.51, subsection 4, Code 2003,
11 is amended to read as follows:

12 4. A taxpayer shall not claim a tax credit under
13 this section if the taxpayer is a venture capital
14 investment fund allocation manager for the Iowa fund
15 of funds created in section 15E.65 or an investor that
16 receives a tax credit for ~~an~~ the same investment in a
17 community-based seed capital fund as defined in 2002
18 Iowa Acts, House File 2271.

19 Sec. _____. Section 15E.66, Code 2003, is amended by
20 adding the following new subsection:

21 **NEW SUBSECTION.** 8. At such time that the Iowa
22 capital investment corporation requests the issuance
23 of tax credits with respect to an investment in the
24 Iowa fund of funds and prior to issuing such tax
25 credits, the board shall consider the terms of the
26 investment and the terms of the proposed tax credit
27 certificate and shall assess the level of risk that
28 the tax credits will be redeemed and the likelihood
29 that the investment will result in returns in excess
30 of amounts payable to designated investors which may
31 be reinvested in the Iowa fund of funds revolving fund
32 as provided in section 15E.65. In making this
33 determination, the board shall compare how alternative
34 investment structures would affect the level of risk
35 that the tax credits will be redeemed and the
36 likelihood that the investment will cause excess

37 returns to be generated in the Iowa fund of funds for
38 reinvestment in the revolving fund. The board may
39 issue tax credits with respect to a particular
40 investment in the Iowa fund of funds consistent with
41 the provisions hereof if it determines that the Iowa
42 capital investment corporation has structured the
43 investments in the Iowa fund of funds in an
44 appropriate manner to minimize the risk that the tax
45 credits will be redeemed and to maximize the amount
46 available to be reinvested in the Iowa fund of funds
47 revolving fund. A member of the board shall not incur
48 any liability with respect to any decision to issue
49 tax credits or to refuse to issue tax credits or with
50 respect to the performance of the investments in the

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1 Iowa fund of funds."

2 14. Page 29, line 21, by inserting after the
3 figure "29C.6" the following: "and disaster medical
4 assistance teams when acting under the provisions of
5 section 135.153".

6 15. Page 30, by inserting after line 27 the
7 following:

8 "Sec.____. Section 80B.5, Code 2003, is amended to
9 read as follows:

10 80B.5 ADMINISTRATION.

11 The administration of the Iowa law enforcement
12 academy and council Act shall be vested in the office
13 of the governor. ~~A director of the academy and such~~
14 ~~staff~~ Staff as may be necessary for it the law
15 enforcement academy to function shall be employed
16 pursuant to the Iowa merit system.

17 Sec.____. NEW SECTION. 80B.5A DIRECTOR.

18 The governor shall appoint the director of the Iowa
19 law enforcement academy, subject to senate
20 confirmation, to a four-year term beginning and ending
21 as provided in section 69.19."

22 16. By striking page 30, line 28, through page
23 31, line 17, and inserting the following:

24 "Sec.____. Section 99G.9, subsection 3, paragraph
25 j, if enacted by 2003 Iowa Acts, Senate File 453, is
26 amended by striking the paragraph.

27 Sec.____. Section 99G.40, subsection 5, if enacted
28 by 2003 Iowa Acts, Senate File 453, is amended to read
29 as follows:

30 5. The authority shall adopt the same fiscal year
31 as that used by state government and shall be audited
32 annually by the auditor of state or a certified public
33 accounting firm appointed by the auditor. The auditor
34 of state or a designee conducting an audit under this
35 chapter shall have access and authority to examine any

36 and all records of licensees necessary to determine
37 compliance with this chapter and the rules adopted
38 pursuant to this chapter. The cost of audits and
39 examinations conducted by the auditor of state or a
40 designee shall be paid for by the authority."

41 17. Page 31, by inserting before line 18 the
42 following:

43 "Sec. ____ Section 257.11, subsection 5, paragraph
44 b, Code 2003, is amended to read as follows:

45 b. A school district which establishes a regional
46 academy shall be eligible to assign its resident
47 pupils attending classes at the academy a weighting of
48 one-tenth of the percentage of the pupil's school day
49 during which the pupil attends classes at the regional
50 academy. For the purposes of this subsection,

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1 "regional academy" means an educational institution
2 established by a school district to which multiple
3 schools send pupils in grades ~~seven~~ nine through
4 twelve, and may include a virtual academy. A regional
5 academy shall include in its curriculum advanced-level
6 courses and may include in its curriculum vocational-
7 technical ~~programs~~ courses. The maximum amount of
8 additional weighting for which a school district
9 establishing a regional academy shall be eligible is
10 an amount corresponding to fifteen additional pupils.
11 The minimum amount of additional weighting for which a
12 school district establishing a regional academy shall
13 be eligible is an amount corresponding to ten
14 additional pupils if the academy provides both
15 advanced-level courses and vocational technical
16 courses. However, if the sum of the funding amount
17 calculated for all districts operating regional
18 academies under this subsection exceeds one million
19 dollars for the school year beginning July 1, 2004,
20 and each succeeding fiscal year, the director of the
21 department of management shall prorate the amount
22 calculated for each district. The proration shall be
23 based upon the amount calculated for each district
24 when compared to the sum of the amount for all
25 districts.

26 Sec. ____ **NEW SECTION. 174.24 LIABILITY OF**
27 **COUNTY FAIR SOCIETY.**

28 A society, as defined in section 174.1, shall be
29 immune from liability for any damages incurred at a
30 county fair held by the society if the damages were
31 incurred on or at an exhibit, leased facility,
32 amusement ride, or an activity not under the control
33 of the society, if the county fair requires the vendor
34 in control of the exhibit, leased facility, amusement

35 ride, or other activity to obtain liability insurance
36 of at least three hundred thousand dollars. An
37 officer or employee of a society, as defined in
38 section 174.1, shall not be held liable for punitive
39 damages as a result of acts in the performance of the
40 officer's or employee's duties, unless reckless
41 misconduct is proven."
42 18. Page 34, by inserting after line 4 the
43 following:
44 "Sec. _____. Section 284.13, subsection 1, paragraph
45 g, unnumbered paragraph 1, Code 2003, is amended to
46 read as follows:
47 For each fiscal year in which funds are
48 appropriated for purposes of this chapter, the moneys
49 remaining after distribution as provided in paragraphs
50 "a" through "f" and "h" shall be allocated to school

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1 districts for salaries and career development in
2 accordance with the following formula:"
3 19. Page 34, by striking lines 5 and 6 and
4 inserting the following:
5 "Sec. _____. Section 294A.25, subsection 6, Code
6 2003, is amended by striking the subsection."
7 20. Page 37, by inserting after line 35 the
8 following:
9 "Sec. _____. Section 331.605C, subsections 1 and 2,
10 if enacted by 2003 Iowa Acts, Senate File 453, are
11 amended to read as follows:
12 1. For the fiscal year beginning July 1, 2003, and
13 ending June 30, 2004, the recorder shall collect a fee
14 of five dollars for each recorded transaction,
15 regardless of the number of pages, for which a fee is
16 paid pursuant to section 331.604 to be used for the
17 purposes of planning and implementing electronic
18 recording and electronic transactions in each county
19 and developing county and statewide internet websites
20 to provide electronic access to records and
21 information.
22 2. Beginning July 1, 2004, the recorder shall
23 collect a fee of one dollar for each recorded
24 transaction, regardless of the number of pages, for
25 which a fee is paid pursuant to section 331.604 to be
26 used for the purpose of paying the county's ongoing
27 costs of maintaining the systems developed and
28 implemented under subsection 1."
29 21. Page 38, by inserting after line 26 the
30 following:
31 "Sec. _____. Section 331.605C, if enacted by 2003
32 Iowa Acts, Senate File 453, is amended by adding the
33 following new subsection:

34 NEW SUBSECTION. 7. The treasurer of state shall
35 no later than December 1, 2003, submit a report to the
36 general assembly detailing the amount of funds
37 collected statewide pursuant to this section. The
38 report shall include the total revenue currently being
39 collected pursuant to section 310.604 and the total
40 which has been collected pursuant to that section for
41 the past three years. Funds collected under
42 subsection 4 shall not be distributed until such time
43 as the general assembly has approved the
44 implementation of the statewide website."
45 22. Page 38, by inserting after line 33 the
46 following:
47 "Sec. ____ Section 423.4, Code 2003, is amended by
48 adding the following new subsection:
49 NEW SUBSECTION. 9A. Vehicles subject to
50 registration which are transferred from a corporation

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1 that is primarily engaged in the business of leasing
2 vehicles subject to registration to a corporation that
3 is primarily engaged in the business of leasing
4 vehicles subject to registration when the transferor
5 and transferee corporations are part of the same
6 controlled group for federal income tax purposes."
7 23. Page 39, by striking line 23 and inserting
8 the following: "apply for a bonded certificate of
9 title under ~~chapter 321~~ section 321.42. If".
10 24. Page 39, by inserting after line 27 the,
11 following:
12 "Sec. ____ Section 452A.2, Code 2003, is amended
13 by adding the following new subsection:
14 NEW SUBSECTION. 20A. "Nonterminal storage
15 facility" means a facility where motor fuel or special
16 fuel, other than liquefied petroleum gas, is stored
17 that is not supplied by a pipeline or a marine vessel.
18 "Nonterminal storage facility" includes a facility
19 that manufactures products such as alcohol, biofuel,
20 blend stocks, or additives which may be used as motor
21 fuel or special fuel, other than liquefied petroleum
22 gas, for operating motor vehicles or aircraft."
23 25. Page 40, line 5, by inserting after the word
24 "subsection." the following: "Notwithstanding section
25 8.33, any unexpended balance in the fund at the end of
26 the fiscal year shall be retained in the fund."
27 26. Page 42, by inserting after line 1 the
28 following:
29 "Sec. ____ Section 505.7, Code 2003, is amended by
30 adding the following new subsection:
31 NEW SUBSECTION. 9. The commissioner may retain
32 funds collected during the fiscal year beginning July

33 1, 2003, pursuant to any settlement, enforcement
34 action, or other legal action authorized under federal
35 or state law for the purpose of reimbursing costs and
36 expenses of the division.
37 .Sec.____. Section 518.18, unnumbered paragraph 2,
38 Code 2003, is amended to read as follows:
39 1. ~~Two~~ The applicable percent of the gross amount
40 of premiums received during the preceding calendar
41 year, after deducting the amount returned upon the
42 canceled policies, certificates, and rejected
43 applications; and after deducting premiums paid for
44 windstorm or hail reinsurance on properties
45 specifically reinsured; ~~provided, however, that,~~
46 However, the reinsurer of such windstorm or hail risks
47 shall pay ~~two~~ the applicable percent of the gross
48 amount of reinsurance premiums received upon such
49 risks after deducting the amounts returned upon
50 canceled policies, certificates, and rejected

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1 applications. For purposes of this section,
2 "applicable percent" means the same as specified in
3 section 432.1, subsection 4.
4 2. Except as provided in subsection 3, the premium
5 tax shall be paid on or before March 1 of the year
6 following the calendar year for which the tax is due.
7 The commissioner of insurance may suspend the
8 certificate of authority of a county mutual insurance
9 association that fails to pay its premium tax on or
10 before the due date.
11 3. a. Each county mutual insurance association
12 transacting business in this state whose Iowa premium
13 tax liability for the preceding calendar year was one
14 thousand dollars or more shall remit on or before June
15 1, on a prepayment basis, an amount equal to one-half
16 of the premium tax liability for the preceding
17 calendar year.
18 b. In addition to the prepayment amount in
19 paragraph "a", each association shall remit on or
20 before June 30, on a prepayment basis, an additional
21 amount equal to the following percent of the premium
22 tax liability for the preceding calendar year as
23 follows:
24 (1) For prepayment in the 2003 and 2004 calendar
25 years, eleven percent.
26 (2) For prepayment in the 2005 calendar year,
27 twenty-six percent.
28 (3) For prepayment in the 2006 and subsequent
29 calendar years, fifty percent.
30 c. The sums prepaid by a county mutual insurance
31 association under this subsection shall be allowed as

32 credits against its premium tax liability for the
33 calendar year during which the payments are made. If
34 a prepayment made under this subsection exceeds the
35 annual premium tax liability, the excess shall be
36 allowed as a credit against subsequent prepayment or
37 tax liabilities. The commissioner of insurance may
38 suspend the certificate of authority of an association
39 that fails to make a prepayment on or before the due
40 date.

41 Sec. _____. Section 518A.35, Code 2003, is amended
42 to read as follows:

43 518A.35 ANNUAL TAX.

44 1. A state mutual insurance association doing
45 business under this chapter shall on or before the
46 first day of March, each year, pay to the director of
47 revenue and finance, or a depository designated by the
48 director, a sum equivalent to ~~two~~ the applicable
49 percent of the gross receipts from premiums and fees
50 for business done within the state, including all

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1 insurance upon property situated in the state without
2 including or deducting any amounts received or paid
3 for reinsurance. However, a company reinsuring
4 windstorm or hail risks written by county mutual
5 insurance associations is required to pay a ~~two~~ the
6 applicable percent tax on the gross amount of
7 reinsurance premiums received upon such risks, but
8 after deducting the amount returned upon canceled
9 policies and rejected applications covering property
10 situated within the state, and dividends returned to
11 policyholders on property situated within the state.
12 For purposes of this section, "applicable percent"
13 means the same as specified in section 432.1,
14 subsection 4.

15 2. Except as provided in subsection 3, the premium
16 tax shall be paid on or before March 1 of the year
17 following the calendar year for which the tax is due.
18 The commissioner of insurance may suspend the
19 certificate of authority of a state mutual insurance
20 association that fails to pay its premium tax on or
21 before the due date.

22 3. a. Each state mutual insurance association
23 transacting business in this state whose Iowa premium
24 tax liability for the preceding calendar year was one
25 thousand dollars or more shall remit on or before June
26 1, on a prepayment basis, an amount equal to one-half
27 of the premium tax liability for the preceding
28 calendar year.

29 b. In addition to the prepayment amount in
30 paragraph "a", each association shall remit on or

31 before June 30, on a prepayment basis, an additional
32 amount equal to the following percent of the premium
33 tax liability for the preceding calendar year as
34 follows:
35 (1) For prepayment in the 2003 and 2004 calendar
36 years, eleven percent.
37 (2) For prepayment in the 2005 calendar year,
38 twenty-six percent.
39 (3) For prepayment in the 2006 and subsequent
40 calendar years, fifty percent.
41 c. The sums prepaid by a state mutual insurance
42 association under this subsection shall be allowed as
43 credits against its premium tax liability for the
44 calendar year during which the payments are made. If
45 a prepayment made under this subsection exceeds the
46 annual premium tax liability, the excess shall be
47 allowed as a credit against subsequent prepayment or
48 tax liabilities. The commissioner of insurance may
49 suspend the certificate of authority of an association
50 that fails to make a prepayment on or before the due

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1 date.
2 Sec.____. 2003 Iowa Acts, Senate File 453, section
3 30, if enacted, is amended by striking the section and
4 inserting in lieu thereof the following:
5 SEC. 30. CHARGE FOR RENT. For the fiscal year
6 beginning July 1, 2003, and ending June 30, 2004, the
7 department of administrative services, if established
8 in 2003 Iowa Acts, House File 534, shall transfer
9 \$900,000 to the general fund of the state from the
10 rent fund if established under section 8A.123 in 2003
11 Iowa Acts, House File 534.
12 Sec.____. 2003 Iowa Acts, Senate File 453, section
13 35, if enacted, is amended to read as follows:
14 SEC. 35. CHARTER AGENCY APPROPRIATIONS.
15 1. Notwithstanding any provision of law to the
16 contrary, the total operating appropriations
17 reductions as allowed under section 7J.1 from the
18 general fund of the state to those departments and
19 agencies designated as charter agencies and additional
20 revenue to the general fund of the state attributed to
21 the reinvention process as determined by the
22 department of management above that already committed
23 to the general fund of the state generated for the
24 fiscal year beginning July 1, 2003, and ending June
25 30, 2004, as provided by the appropriation to those
26 agencies as enacted by the Eightieth General Assembly,
27 2003 Regular Session, shall be reduced by total
28 \$15,000,000. The department of management shall apply
29 the appropriation reductions, with a target of a 10

30 percent reduction for each charter agency, as
31 necessary to which along with additional generated
32 revenue shall achieve the overall reduction amount and
33 shall make this information available to the
34 legislative fiscal committee and the legislative
35 fiscal bureau. It is the intent of the general
36 assembly that appropriations to a charter agency in
37 subsequent fiscal years shall be similarly adjusted
38 from the appropriation that would otherwise have been
39 enacted.

40 2. There is appropriated from the general fund of
41 the state to the department of management for the
42 fiscal year beginning July 1, 2003, and ending June
43 30, 2004, the following amount, or so much thereof as
44 is necessary, to be used for the purposes designated:

45 For deposit in the charter agency loan grant fund
46 created in section 7J.2:

47 \$ 3,000,000

48 3. For the fiscal year beginning July 1, 2003, and
49 ending June 30, 2004, if the actual amount of revenue
50 received by a charter agency exceeds the revenue

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1 amount budgeted for that charter agency by the
2 governor and the general assembly, the charter agency
3 may consider the excess amount to be repayment
4 receipts as defined in section 8.2.

5 Sec. _____. Notwithstanding section 8.33,
6 unencumbered and unobligated funds remaining from the
7 appropriation made in 1996 Iowa Acts, chapter 1218,
8 section 13, subsection 2, paragraph "a", subparagraph
9 (2), as amended by 1997 Iowa Acts, chapter 215,
10 section 3, and from the appropriation made in 1997
11 Iowa Acts, chapter 215, section 4, subsection 1, shall
12 not revert but shall be available for the purposes
13 designated in those provisions until the close of the
14 fiscal year beginning July 1, 2003."

15 27. Page 42, by inserting after line 10 the
16 following:
17 "Sec. _____. 2003 Iowa Acts, Senate File 453,
18 section 121, if enacted, is amended to read as
19 follows:
20 SEC. 121. EFFECTIVE DATE. This division of this
21 Act, creating the Iowa lottery authority, takes effect
22 September July 1, 2003."

23 28. Page 42, by inserting after line 12 the
24 following:
25 "Sec. _____. USE OF TEAM-BASED VARIABLE PAY MONEYS
26 FOR FY 2003-2004. Notwithstanding section 284.13,
27 subsection 1, paragraph a, of the moneys reserved for
28 purposes of team-based variable pay for the fiscal

29 year beginning July 1, 2003, and ending June 30, 2004,
30 the sum of two hundred thousand dollars shall be used
31 for purposes of the reading instruction pilot program
32 established pursuant to 2003 Iowa Acts, House File
33 549, if enacted."

34 29. Page 45, by inserting after line 9 the
35 following:

36 "Sec.____. FULL-SIZE OFF-HIGHWAY VEHICLE
37 REGISTRATION PROGRAM – PLAN. The department of
38 natural resources and the state department of
39 transportation, in consultation with the Iowa
40 association of four wheel drive clubs, shall develop a
41 plan for the establishment of a registration program
42 for full-size off-highway vehicles for the purposes of
43 regulating the recreational use of full-size off-
44 highway vehicles and establishing a full-size off-
45 highway vehicle recreation area in the state. The
46 plan shall include an analysis of the number of full-
47 size off-highway vehicles expected to be registered
48 prior to the establishment of a full-size off-highway
49 vehicle recreation area and the number of
50 registrations expected after the establishment of such

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1 a facility. The plan shall also include optimum
2 locations for a full-size off-highway vehicle
3 recreation area, estimated costs, if any, for
4 maintenance of the area, and any other issues the
5 departments and the association deem to be of
6 importance in the planning process. The plan, which
7 shall include any proposed legislation for
8 implementation of the plan, shall be submitted to the
9 legislative services agency and the general assembly
10 no later than January 1, 2004.

11 Sec.____. ELIMINATION OF POSITION – IOWA LAW
12 ENFORCEMENT ACADEMY DIRECTOR. The merit position of
13 director of the Iowa law enforcement academy referred
14 to in section 80B.5, Code 2003, is eliminated
15 effective April 30, 2004."

16 30. Page 46, by inserting after line 2 the
17 following:

18 "Sec.____. SMALLPOX VACCINATIONS. It is the
19 intent of the general assembly that public safety
20 workers, smallpox response teams, and others who will
21 be required to be vaccinated pursuant to the federal
22 Homeland Security Act be protected from both health-
23 related and other results of the federally required
24 vaccination. The emergency management division of the
25 Iowa department of public defense and local
26 governments should work with employees in the public
27 safety areas or response teams to achieve the

28 following:

- 29 1. Vaccinations should be given only on a
- 30 voluntary basis.
- 31 2. Extensive screening should be employed to
- 32 protect those workers who would be at risk from
- 33 current health conditions if vaccinated.
- 34 3. Reprisals or discrimination for workers not
- 35 voluntarily receiving vaccinations should be
- 36 prohibited.
- 37 4. Public employers should protect employees from
- 38 loss of income or seniority as a result of side
- 39 effects from vaccinations. Homeland security moneys
- 40 received by the emergency management division of the
- 41 Iowa department of public defense from the federal
- 42 government should include a set-aside to purchase
- 43 supplemental insurance for public safety or response
- 44 employees to cover those reactions not covered by
- 45 traditional employer-provided health insurance.
- 46 5. Disability or long-term reactions from
- 47 vaccinations should be considered a work-related
- 48 injury and should be covered by local or state
- 49 policies governing disability.
- 50 6. Vaccinations should be scheduled at staggered

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- 1 times to allow for normal loss of staff time because
- 2 of vaccination-related illnesses without seriously
- 3 hampering public safety service.
- 4 7. Vaccinations administered in Iowa should meet
- 5 the requirements of the federal Needlestick Safety and
- 6 Prevention Act of 2000 that requires safety features
- 7 in the use of needles to administer medicine.
- 8 8. The emergency management division of the Iowa
- 9 department of public defense should coordinate efforts
- 10 to ensure adequate supplies of vaccinia immune
- 11 globulin and cidofovir and other appropriate medical
- 12 care and pharmaceuticals to protect those employees
- 13 who suffer reactions to vaccinations."
- 14 31. Page 46, by inserting after line 13 the
- 15 following:
- 16 " _____. The amendments to sections 8.23, 8.31, and
- 17 8.57 which are first applicable to appropriations made
- 18 for the fiscal year beginning July 1, 2003."
- 19 32. Page 46, by inserting after line 14 the
- 20 following:
- 21 " _____. The amendments to sections 15E.42, 15E.43,
- 22 15E.45, and 15E.51, which apply retroactively to
- 23 January 1, 2002, for tax years beginning on or after
- 24 that date."
- 25 33. Page 46, by inserting after line 21 the
- 26 following:

27 "____. The amendments to sections 518.18 and
28 518A.35."
29 34. Page 46, by inserting after line 26 the
30 following:
31 "The sections of this division of this Act amending
32 section 80B.5 and enacting section 80B.5A are
33 applicable to the appointment of the director of the
34 Iowa law enforcement academy for the term beginning
35 May 1, 2004."
36 35. Title page, line 3, by inserting after the
37 word "appropriations," the following: "modifying the
38 investment tax credits and premiums taxes on mutual
39 insurance associations,".
40 36. By renumbering, relettering, or redesignating
41 and correcting internal references as necessary.

Winckler of Scott offered the following amendment H-1595, to amendment H-1582, filed by her from the floor and moved its adoption:

H-1595

1 Amend the amendment, H-1582, to House File 700 as
2 follows:
3 1. By striking page 10, line 19 through page 11,
4 line 1.
5 2. By renumbering as necessary.

Amendment H-1595 was adopted.

On motion by Dix of Butler amendment H-1582, as amended, was adopted.

Heaton of Henry offered the following amendment H-1562 filed by him and moved its adoption:

H-1562

1 Amend House File 700 as follows:
2 1. Page 7, by inserting after line 15 the
3 following:
4 "Sec. __. Section 8.55, subsection 2, paragraph
5 d, Code 2003, is amended to read as follows:
6 d. Notwithstanding paragraph "a", any moneys in
7 excess of the maximum balance in the economic
8 emergency fund after the distribution of the surplus
9 in the general fund of the state at the conclusion of
10 each fiscal year and after the appropriate amounts
11 have been transferred pursuant to paragraphs "b" and

12 "c" shall not be transferred to the general fund of
13 the state but shall be transferred to the endowment
14 for Iowa's health account of the tobacco settlement
15 trust fund. The total amount transferred, in the
16 aggregate, under this paragraph for all fiscal years
17 shall not exceed the difference between sixty one
18 hundred one million five seven hundred fifty-one
19 thousand dollars and the amounts transferred to the
20 endowment for Iowa's health account to repay the
21 amounts transferred or appropriated from the endowment
22 for Iowa's health account in 2002 Iowa Acts, chapter
23 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts,
24 chapter 1167, ~~and~~ 2002 Iowa Acts, Second Extraordinary
25 Session, chapter 1003, and 2003 Iowa Acts, House File
26 685."

27 2. By renumbering as necessary.

Amendment H-1562 was adopted.

Schickel of Cerro Gordo offered amendment H-1574 filed by
Schickel, et al., as follows:

H-1574

1 Amend House File 700 as follows:

2 1. Page 10, by inserting after line 25 the
3 following:

4 "Sec. ____ Section 427B.19A, subsection 1, as
5 amended by 2003 Iowa Acts, Senate File 453, if
6 enacted, is amended to read as follows:

7 1. The industrial machinery, equipment and
8 computers property tax replacement fund is created.
9 For the fiscal year beginning July 1, 1996, through
10 the fiscal year ending June 30, 2004, there is
11 appropriated annually from the general fund of the
12 state to the department of revenue and finance to be
13 credited to the industrial machinery, equipment and
14 computers property tax replacement fund, an amount
15 sufficient to implement this division. However, for
16 the fiscal year beginning July 1, 2003, the amount
17 appropriated to the department of revenue and finance
18 to be credited to the industrial machinery, equipment
19 and computers tax replacement fund is ~~ten eleven~~
20 million two hundred eighty-one thousand six hundred
21 eight-five dollars."

22 2. Page 11, by inserting after line 32 the
23 following:

24 "Sec. ____ FRANCHISE TAX REVENUE ALLOCATION.
25 There is appropriated from the franchise tax revenues
26 deposited in the general fund of the state to the
27 department of revenue and finance for the fiscal year

28 beginning July 1, 2003, and ending June 30, 2004,
 29 \$8,800,000 to be allocated as follows:
 30 1. Sixty percent to the general fund of the city
 31 from which the tax is collected.
 32 2. Forty percent to the county from which the tax
 33 is collected.
 34 If the financial institution maintains one or more
 35 offices for the transaction of business, other than
 36 its principal office, a portion of its franchise tax
 37 shall be allocated to each office, based upon a
 38 reasonable measure of the business activity of each
 39 office. The director of revenue and finance shall
 40 prescribe, for each type of financial institution, a
 41 method of measuring the business activity of each
 42 office. Financial institutions shall furnish all
 43 necessary information for this purpose at the request
 44 of the director. The allocation shall be distributed
 45 quarterly.
 46 Sec. _____. 2003 Iowa Acts, Senate File 453, section
 47 28, if enacted, is repealed."

Wise of Lee offered the following amendment H-1599, to amendment H-1574, filed by Wise, Bell of Jasper, Cohoon of Des Moines, Winckler of Scott, Lykam of Scott, Ford of Polk, Osterhaus of Jackson, Mascher of Johnson, Murphy of Dubuque and Jochum of Dubuque and moved its adoption:

H-1599

1 Amend the amendment, H-1574, to House File 700 as
 2 follows:
 3 1. Page 1, by striking lines 19 and 20 and
 4 inserting the following: "and computers tax
 5 replacement fund is ~~ten~~ twenty million eighty-one
 6 thousand six hundred".
 7 2. Page 1, by striking lines 24 through 45.

Roll call was requested by Wise of Lee and Murphy of Dubuque.

On the question "Shall amendment H-1599 be adopted?" (H.F. 700)

The ayes were, 43:

| | | | |
|--------|----------|---------|----------|
| Bell | Berry | Cohoon | Connors |
| Davitt | Eichhorn | Fallon | Foege |
| Ford | Frevert | Gaskill | Greimann |
| Hahn | Heddens | Hunter | Jochum |
| Kuhn | Lensing | Lykam | Mascher |

| | | | |
|------------|----------|-----------|------------|
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Osterhaus |
| Petersen | Quirk | Reasoner | Shoultz |
| Smith | Stevens | Swaim | Taylor, D. |
| Taylor, T. | Thomas | Wendt | Whitaker |
| Whitead | Winckler | Wise | |

The nays were, 54:

| | | | |
|------------------|-----------------------|------------------|-----------|
| Alons | Baudler | Boal | Boddicker |
| Chambers | Dandekar | De Boef | Dennis |
| Dix | Dolecheck | Drake | Elgin |
| Freeman | Gipp | Granzow | Greiner |
| Hansen | Hanson | Heaton | Hoffman |
| Hogg | Horbach | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jones |
| Klemme | Kramer | Kurtenbach | Lalk |
| Lukan | Maddox | Manternach | Olson, S. |
| Paulsen | Raecker | Rants, Spkr. | Rasmussen |
| Rayhons | Roberts | Sands | Schickel |
| Struyk | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wilderdyke | Carroll, Presiding | | |

Absent or not voting, 3:

| | | |
|--------|--------|-------|
| Arnold | Bogges | Bukta |
|--------|--------|-------|

Amendment H-1599 lost.

Schickel of Cerro Gordo moved the adoption of amendment H-1574.

A non-record roll call was requested.

The ayes were 46, nays 9.

Amendment H-1574 was adopted.

Murphy of Dubuque offered the following amendment H-1591 filed by him from the floor and moved its adoption:

H-1591

- 1 Amend House File 700 as follows:
- 2 1. Page 11, by inserting after line 32 the
- 3 following:

4 "Sec. ____ HOUSING TRUST FUND APPROPRIATION –
5 INTENT. It is the intent of the general assembly that
6 an additional \$800,000 be appropriated for the fiscal
7 year beginning July 1, 2004, for deposit in the
8 housing trust fund created in section 16.181, if
9 enacted by this Act."

Amendment H-1591 lost.

Murphy of Dubuque offered amendment H-1590 filed by him from the floor as follows:

H-1590

1 Amend House File 700 as follows:
2 1. Page 12, line 10, by striking the word "There"
3 and inserting the following: "Notwithstanding section
4 8.56, subsections 3 and 4, there is appropriated from
5 the cash reserve fund to the salary adjustment fund,
6 for distribution by the department of management as
7 provided in this section, for the fiscal year
8 beginning July 1, 2003, and ending June 30, 2004, the
9 amount of \$19,000,000.
10 In addition, there".
11 2. Page 12, line 17, by striking the word ", or"
12 and inserting the following: ". The amounts
13 appropriated in this section, or so much thereof".
14 3. Page 12, line 18, by inserting after the word
15 "necessary," the following: "shall be used".
16 4. Page 13, by inserting before line 14 the
17 following:
18 "Sec. ____ STATE COURTS – JUSTICES, JUDGES, AND
19 MAGISTRATES.
20 1. The salary rates specified in subsection 2 are
21 for the fiscal year beginning July 1, 2003, effective
22 for the pay period beginning June 20, 2003, and for
23 subsequent fiscal years until otherwise provided by
24 the general assembly. The salaries provided for in
25 this section shall be paid from funds allocated to the
26 judicial branch from the salary adjustment fund
27 pursuant to this division of this Act or if the
28 appropriation is not sufficient, from the funds
29 appropriated to the judicial branch pursuant to any
30 Act of the general assembly.
31 2. The following annual salary rates shall be paid
32 to the persons holding the judicial positions
33 indicated during the fiscal year beginning July 1,
34 2003, effective with the pay period beginning June 20,
35 2003, and for subsequent pay periods.
36 a. Chief justice of the supreme court:
37 \$ 127,040

| | | |
|----|--|------------|
| 38 | b. Each justice of the supreme court: | |
| 39 | ..... | \$ 122,500 |
| 40 | c. Chief judge of the court of appeals: | |
| 41 | ..... | \$ 122,380 |
| 42 | d. Each associate judge of the court of appeals: | |
| 43 | ..... | \$ 117,850 |
| 44 | e. Each chief judge of a judicial district: | |
| 45 | ..... | \$ 116,760 |
| 46 | f. Each district judge except the chief judge of a | |
| 47 | judicial district: | |
| 48 | ..... | \$ 112,010 |
| 49 | g. Each district associate judge: | |
| 50 | ..... | \$ 97,610 |

Page 2

| | | |
|----|--|------------|
| 1 | h. Each associate juvenile judge: | |
| 2 | ..... | \$ 97,610 |
| 3 | i. Each associate probate judge: | |
| 4 | ..... | \$ 97,610 |
| 5 | j. Each judicial magistrate: | |
| 6 | ..... | \$ 29,100 |
| 7 | k. Each senior judge: | |
| 8 | ..... | \$ 6,500 |
| 9 | 3. Persons receiving the salary rates established | |
| 10 | under this section shall not receive any additional | |
| 11 | salary adjustments provided by this Act. | |
| 12 | Sec. ELECTIVE EXECUTIVE OFFICIALS. | |
| 13 | 1. The annual salary rates specified in this | |
| 14 | section are effective for the fiscal year beginning | |
| 15 | July 1, 2003, with the pay period beginning June 20, | |
| 16 | 2003, and for subsequent fiscal years until otherwise | |
| 17 | provided by the general assembly. The salaries | |
| 18 | provided for in this section shall be paid from funds | |
| 19 | appropriated to the department or agency specified in | |
| 20 | this section from the salary adjustment fund or if the | |
| 21 | appropriation is not sufficient, from the funds | |
| 22 | appropriated to the department or agency pursuant to | |
| 23 | any Act of the general assembly. | |
| 24 | 2. The following annual salary rates shall be paid | |
| 25 | to the person holding the position indicated: | |
| 26 | a. OFFICE OF THE GOVERNOR | |
| 27 | (1) Salary for the governor: | |
| 28 | ..... | \$ 109,640 |
| 29 | (2) Salary for the lieutenant governor: | |
| 30 | ..... | \$ 78,250 |
| 31 | b. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP | |
| 32 | Salary for the secretary of agriculture: | |
| 33 | ..... | \$ 114,000 |
| 34 | c. DEPARTMENT OF JUSTICE | |
| 35 | Salary for the attorney general: | |
| 36 | ..... | \$ 114,000 |

37 d. OFFICE OF THE AUDITOR OF STATE
 38 Salary for the auditor of state:
 39 \$ 114,000
 40 e. OFFICE OF THE SECRETARY OF STATE
 41 Salary for the secretary of state:
 42 \$ 114,000
 43 f. OFFICE OF THE TREASURER OF STATE
 44 Salary for the treasurer of state:
 45 \$ 114,000
 46 Sec. __. APPOINTED STATE OFFICERS.
 47 1. a. The governor shall establish a salary for
 48 appointed nonelected persons in the executive branch
 49 of state government holding a position enumerated in
 50 this section within the range provided, by

Page 3

1 considering, among other items, the experience of the
 2 individual in the position, changes in the duties of
 3 the position, the incumbent's performance of assigned
 4 duties, and subordinates' salaries. However, the
 5 attorney general shall establish the salary for the
 6 consumer advocate, the secretary of state shall
 7 establish the salary for the administrator of the
 8 division of professional licensing and regulation, the
 9 chief justice of the supreme court shall establish the
 10 salary for the state court administrator, the ethics
 11 and campaign disclosure board shall establish the
 12 salary of the executive director, and the state fair
 13 board shall establish the salary of the secretary of
 14 the state fair board, each within the salary range
 15 provided in this section.
 16 b. The governor, in establishing salaries as
 17 provided in this section, shall take into
 18 consideration other employee benefits which may be
 19 provided for an individual including, but not limited
 20 to, housing.
 21 c. A person whose salary is established pursuant
 22 to this section and who is a full-time, year-round
 23 employee of the state shall not receive any other
 24 remuneration from the state or from any other source
 25 for the performance of that person's duties unless the
 26 additional remuneration is first approved by the
 27 governor or authorized by law. However, this
 28 provision does not exclude the reimbursement for
 29 necessary travel and expenses incurred in the
 30 performance of duties or fringe benefits normally
 31 provided to employees of the state.
 32 2. The annual salary ranges specified in this
 33 section are effective for the positions specified in
 34 this section for the fiscal year beginning July 1,
 35 2003, and for subsequent fiscal years until otherwise

36. provided by the general assembly. The governor or
37 other person designated in subsection 1 shall
38 determine the salary to be paid to the person
39 indicated at a rate within the salary ranges indicated
40 from funds appropriated by the general assembly for
41 that purpose.

42 3. The following are salary ranges 1 through 5 for
43 the fiscal year beginning July 1, 2003, effective with
44 the pay period beginning June 20, 2003:

| 45 SALARY RANGES | <u>Minimum</u> | <u>Maximum</u> |
|---------------------|----------------|----------------|
| 46 a. Range 1 | \$ 8,800 | \$ 30,460 |
| 47 b. Range 2 | \$ 32,200 | \$ 61,470 |
| 48 c. Range 3 | \$ 44,100 | \$ 71,670 |
| 49 d. Range 4 | \$ 53,100 | \$ 81,940 |
| 50 e. Range 5 | \$ 62,400 | \$ 92,250 |

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1 4. The following are range 1 positions: There are
2 no range 1 positions for the fiscal year beginning
3 July 1, 2003.

4 5. The following are range 2 positions:
5 administrator of the arts division of the department
6 of cultural affairs, administrators of the division of
7 persons with disabilities, the division on the status
8 of women, the division on the status of African-
9 Americans, the division of deaf services, and the
10 division of Latino affairs of the department of human
11 rights, and administrator of the division of
12 professional licensing and regulation of the office of
13 secretary of state.

14 6. The following are range 3 positions:
15 administrator of the division of criminal and juvenile
16 justice planning of the department of human rights,
17 administrator of the division of community action
18 agencies of the department of human rights, executive
19 director of the commission of veterans affairs, and
20 chairperson and members of the employment appeal board
21 of the department of inspections and appeals.

22 7. The following are range 4 positions:
23 superintendent of credit unions, and chairperson, vice
24 chairperson, and members of the board of parole.

25 8. The following are range 5 positions: state
26 public defender, drug policy coordinator, labor
27 commissioner, workers' compensation commissioner,
28 administrator of the alcohol beverages division of the
29 department of commerce, and administrator of the
30 historical division of the department of cultural
31 affairs.

32 9. The following are salary ranges 6 through 9 for
33 the fiscal year beginning July 1, 2003, effective with
34 the pay period beginning June 20, 2003:

| | | | |
|----|--|----------------|----------------|
| 35 | SALARY RANGES | <u>Minimum</u> | <u>Maximum</u> |
| 36 | a. Range 6 | \$ 48,200 | \$ 81,940 |
| 37 | b. Range 7 | \$ 66,000 | \$ 92,980 |
| 38 | c. Range 8 | \$ 70,800 | \$107,890 |
| 39 | d. Range 9 | \$ 79,000 | \$128,710 |
| 40 | 10. The following are range 6 positions: director | | |
| 41 | of the department of human rights, director of the | | |
| 42 | Iowa state civil rights commission, executive director | | |
| 43 | of the college student aid commission, director of the | | |
| 44 | department for the blind, and executive director of | | |
| 45 | the ethics and campaign disclosure board. | | |
| 46 | 11. The following are range 7 positions: director | | |
| 47 | of the department of cultural affairs, director of the | | |
| 48 | department of elder affairs, and director of the law | | |
| 49 | enforcement academy. | | |
| 50 | 12. The following are range 8 positions: the | | |

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1 administrator of the state racing and gaming
2 commission of the department of inspections and
3 appeals, director of the department of inspections and
4 appeals, superintendent of banking, administrator of
5 the division of emergency management of the department
6 of public defense, commandant of the veterans home,
7 director of the department of general services,
8 director of the department of personnel, administrator
9 of the public broadcasting division of the department
10 of education, commissioner of insurance, executive
11 director of the Iowa finance authority, consumer
12 advocate, director of the department of natural
13 resources, and chairperson of the utilities board.
14 The other members of the utilities board shall receive
15 an annual salary within a range of not less than 90
16 percent but not more than 95 percent of the annual
17 salary of the chairperson of the utilities board.
18 13. The following are range 9 positions: director
19 of the department of administrative services, if
20 established, director of the department of education,
21 director of the department of corrections, director of
22 human services, director of the Iowa department of
23 economic development, director of the information
24 technology department, executive director of the Iowa
25 telecommunications and technology commission, chief
26 executive officer of the Iowa public employees'
27 retirement system, commissioner of public safety,
28 executive director of the state board of regents,
29 director of the state department of transportation,
30 director of the department of workforce development,
31 director of revenue and finance, lottery commissioner,
32 director of public health, the state court
33 administrator, secretary of the state fair board, and

34 the director of the department of management.
 35 Sec.____. PUBLIC EMPLOYMENT RELATIONS BOARD.
 36 1. The salary rates specified in this section are
 37 effective for the fiscal year beginning July 1, 2003,
 38 with the pay period beginning June 20, 2003, and for
 39 subsequent fiscal years until otherwise provided by
 40 the general assembly. The salaries provided for in
 41 this section shall be paid from funds appropriated to
 42 the public employment relations board from the salary
 43 adjustment fund, or if the appropriation is not
 44 sufficient from funds appropriated to the public
 45 employment relations board pursuant to any other Act
 46 of the general assembly.
 47 2. The following annual salary rates shall be paid
 48 to the persons holding the positions indicated:
 49 a. Chairperson of the public employment relations
 50 board:

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| | |
|---|------------|
| 1 | \$ 77,840 |
| 2 b. Two members of the public employment relations | |
| 3 board: | |
| 4 | \$ 72,510" |
| 5 5. By renumbering as necessary. | |

Murphy of Dubuque offered the following amendment H-1598, to amendment H-1590, filed by him from the floor and moved its adoption:

H-1598

1 Amend the amendment, H-1590, to House File 700 as
 2 follows:
 3 1. Page 1, line 9, by striking the figure
 4 "19,000,000" and inserting the following:
 5 "16,000,000".

Amendment H-1598 was adopted.

On motion by Murphy of Dubuque amendment H-1590, as amended, lost.

Horbach of Tama offered the following amendment H-1572 filed by him and Heaton of Henry and moved its adoption:

H-1572

1 Amend House File 700 as follows:
 2 1. Page 12, line 17, by striking the figure

3 "25,000,000" and inserting the following:
4 "28,000,000".
5 2. Page 13, by inserting after line 13 the
6 following:
7 "Of the amount appropriated in this section,
8 \$2,668,000 shall be allocated to the judicial branch
9 for the purpose of providing increases in salaries for
10 judicial branch employees."

Amendment H-1572 was adopted.

Dix of Butler offered amendment H-1575 filed by him as follows:

H-1575

1 Amend House File 700 as follows:
2 1. Page 18, by inserting after line 9 the
3 following:
4 "Sec. ____ 2003 Iowa Acts, House File 289, section
5 1, is amended by striking the section and inserting in
6 lieu thereof the following:
7 SECTION 1. Section 12C.1, subsection 2, paragraph
8 e, Code 2003, as amended by 2003 Iowa Acts, Senate
9 File 395, is amended by adding the following new
10 subparagraph:
11 NEW SUBPARAGRAPH. (6) Moneys placed in a
12 depository for the purpose of completing an electronic
13 financial transaction pursuant to section 8A.222 or
14 331.427."
15 2. Page 19, by inserting after line 8 the
16 following:
17 "Sec. ____ Section 99G.10, subsection 2, if
18 enacted by 2003 Iowa Acts, Senate File 453, section
19 72, is amended to read as follows:
20 2. Subject to the approval of the board, the chief
21 executive officer shall have the sole power to
22 designate particular employees as key personnel, but
23 may take advice from the department of personnel in
24 making any such designations. All key personnel shall
25 be exempt from the merit system described in chapter
26 ~~49A 8A, article 4.~~ The chief executive officer and
27 the board shall have the sole power to employ,
28 classify, and fix the compensation of key personnel.
29 All other employees shall be employed, classified, and
30 compensated in accordance with ~~chapters 19A chapter~~
31 ~~8A, article 4, and chapter 20.~~
32 Sec. ____ Section 99G.22, subsection 1, if enacted
33 by 2003 Iowa Acts, Senate File 453, is amended to read
34 as follows:
35 1. The authority shall investigate the financial
36 responsibility, security, and integrity of any lottery

37 system vendor who is a finalist in submitting a bid,
38 proposal, or offer as part of a major procurement
39 contract. Before a major procurement contract is
40 awarded, the division of criminal investigation of the
41 department of public safety shall conduct a background
42 investigation of the vendor to whom the contract is to
43 be awarded. The chief executive officer and board
44 shall consult with the division of criminal
45 investigation and shall provide for the scope of the
46 background investigation and due diligence to be
47 conducted in connection with major procurement
48 contracts. At the time of submitting a bid, proposal,
49 or offer to the authority on a major procurement
50 contract, the authority shall require that each vendor

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1 submit to the division of criminal investigation
2 appropriate investigation authorization to facilitate
3 this investigation, together with an advance of funds
4 to meet the anticipated investigation costs. If the
5 division of criminal investigation determines that
6 additional funds are required to complete an
7 investigation, the vendor will be so advised. The
8 background investigation by the division of criminal
9 investigation may include a national criminal history
10 record check through the federal bureau of
11 investigation. The screening of vendors or their
12 employees through the federal bureau of investigation
13 shall be conducted by submission of fingerprints
14 through the state criminal history record repository
15 to the federal bureau of investigation.

16 Sec. ____ Section 99G.37, subsection 2, if enacted
17 by 2003 Iowa Acts, Senate File 453, section 90, is
18 amended to read as follows:

19 2. In any bidding process, the authority may
20 administer its own bidding and procurement or may
21 utilize the services of the department of general
22 administrative services, ~~or its successor~~, or other
23 state agency.

24 Sec. ____ Section 99G.38, subsection 3, if enacted
25 by 2003 Iowa Acts, Senate File 453, section 91, is
26 amended to read as follows:

27 3. The state of Iowa offset program, as provided
28 in section ~~421.17~~ 8A.504, shall be available to the
29 authority to facilitate receipt of funds owed to the
30 authority."

31 3. Page 19, by inserting after line 34 the
32 following:

33 "Sec. ____ Section 231.56A, if enacted by 2003
34 Iowa Acts, Senate File 4165, section 1, is amended to
35 read as follows:

36 231.56A ELDER ABUSE INITIATIVE, EMERGENCY SHELTER,
37 AND SUPPORT SERVICES PROJECTS.

38 1. Through the state's service contract process
39 adopted pursuant to section 8.47, the department shall
40 identify area agencies on aging that have demonstrated
41 the ability to provide a collaborative response to the
42 immediate needs of elders in the area agency on aging
43 service area for the purpose of implementing elder
44 abuse initiative, emergency shelter, and support
45 services projects. The projects shall be implemented
46 only in the counties within an area agency on aging
47 service area that have a multidisciplinary team
48 established pursuant to section 235B.1.
49 2. The target population of the projects shall be
50 any elder residing in the service area of an area

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1 agency on aging who meets both of the following
2 conditions:
3 a. Is the subject of a report of suspected
4 dependent adult abuse pursuant to chapter 235B.
5 b. Is not receiving assistance under a county
6 management plan approved pursuant to section 331.439.
7 3. The area agencies on aging implementing the
8 projects shall identify allowable emergency shelter
9 and support services, state funding, outcomes,
10 reporting requirements, and approved community
11 resources from which services may be obtained under
12 the projects. The area agency on aging shall identify
13 at least one provider of case management services for
14 the project area.
15 4. The area agencies on aging shall implement the
16 projects and shall coordinate the provider network
17 through the use of referrals or other engagement of
18 community resources to provide services to elders.
19 5. The department shall award funds to the area
20 agencies on aging in accordance with the state's
21 service contract process. Receipt and expenditures of
22 moneys under the projects are subject to examination,
23 including audit, by the department.
24 6. This section shall not be construed and is not
25 intended as, and shall not imply, a grant of
26 entitlement for services to individuals who are not
27 otherwise eligible for the services or for utilization
28 of services that do not currently exist or are not
29 otherwise available."
30 4. Page 20, by inserting after line 26 the
31 following:
32 "Sec. __. Section 321.69, subsection 9, as
33 amended by 2003 Acts, House File 502, section 3, is
34 amended to read as follows:

35 9. ~~This~~ Except for subsection 9A, this section
36 does not apply to motor trucks and truck tractors with
37 a gross vehicle weight rating of sixteen thousand
38 pounds or more, vehicles more than nine model years
39 old, motorcycles, motorized bicycles, and special
40 mobile equipment. This section does apply to motor
41 homes. The requirement in subsection 1 that the new
42 certificate of title and registration receipt shall
43 state on the face of the title the total cumulative
44 dollar amount of damage does not apply to a vehicle
45 with a certificate of title bearing a designation that
46 the vehicle was previously titled on a salvage
47 certificate of title pursuant to section 321.52,
48 subsection 4, paragraph "b", or to a vehicle with a
49 certificate of title bearing a "REBUILT" or "SALVAGE"
50 designation pursuant to section 321.24, subsection 4

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1 or 5. ~~This~~ Except for subsection 9A, this section
2 does not apply to new motor vehicles with a true
3 mileage, as defined in section 321.71, of one thousand
4 miles or less, unless such vehicle has incurred damage
5 as defined in subsection 2."

6 5. Page 22, by inserting after line 31 the
7 following:

8 "Sec. __. 2003 Iowa Acts, Senate File 453,
9 section 44, subsection 8, if enacted, is amended to
10 read as follows:

11 8. STATUTORY REQUIREMENTS. The requirements of
12 sections ~~48.6~~ 8A.311 and 72.3 and the administrative
13 rules implementing section 8.47 are not applicable to
14 the services procurement process used to implement the
15 outcomes-based service system redesign in accordance
16 with this section. The department of human services
17 may enter into competitive negotiations and proposal
18 modifications with each successful contractor as
19 necessary to implement the provisions of this
20 section."

21 6. Page 23, by inserting after line 22 the
22 following:

23 " __. The sections of this division of this Act
24 amending sections 12C.1, 99G.10, 99G.37, and 99G.38
25 take effect only if House File 534 is enacted by the
26 Eightieth General Assembly, 2003 Regular Session."

27 7. Title page, line 3, by inserting after the
28 word "appropriations," the following: "modifying
29 sales and use taxes,".

30 8. By renumbering as necessary.

Dix of Butler offered the following amendment H-1583, to amendment H-1575, filed by him from the floor and moved its adoption:

H-1583

- 1 Amend the amendment, H-1575, to House File 700 as
- 2 follows:
- 3 1. Page 1, by inserting after line 1 the
- 4 following:
- 5 " Page 8, line 33, by striking the words "one
- 6 hundred".
- 7 2. By renumbering as necessary.

Amendment H-1583 was adopted.

On motion by Dix of Butler amendment H-1575, as amended, was adopted.

Heaton of Henry offered the following amendment H-1593 filed by him from the floor and moved its adoption:

H-1593

- 1 Amend House File 700 as follows:
- 2 1. Page 24, by inserting after line 30 the
- 3 following:
- 4 "Sec. NEW SECTION. 12F.1 IOWA ECONOMIC
- 5 STIMULUS FUND - CREATED.
- 6 1. a. The Iowa economic stimulus fund is created
- 7 in the state treasury under the control of the
- 8 treasurer of state. Moneys received from the federal
- 9 government or other sources for the purposes of
- 10 economic stimulus or temporary fiscal assistance for
- 11 state and local governments shall be deposited in the
- 12 fund.
- 13 b. If any moneys received from the federal
- 14 government for the purpose of economic stimulus are
- 15 designated for the medical assistance program, the
- 16 funds shall be used to supplant nongeneral fund
- 17 appropriations to the medical assistance program.
- 18 2. Moneys deposited in the fund shall be used only
- 19 as provided in appropriations from the fund for the
- 20 purposes specified in the appropriation.
- 21 3. The fund shall be separate from the general
- 22 fund of the state. The moneys in the fund are not
- 23 subject to section 8.33 and shall not be transferred,
- 24 used, obligated, appropriated, or otherwise
- 25 encumbered, except to provide for the purpose of this

26 section. Notwithstanding section 12C.7, subsection 2,
27 interest or earnings on moneys deposited in the fund
28 shall be credited to the fund."
29 2. By renumbering as necessary.

Amendment H-1593 was adopted.

Huser of Polk offered the following amendment H-1596 filed by her from the floor and moved its adoption:

H-1596

- 1 Amend House File 700 as follows:
- 2 1. Page 25, line 6, by inserting after the word
- 3 "any" the following: "current or future".

Amendment H-1596 was adopted.

T. Taylor of Linn offered the following amendment H-1602 filed by him from the floor and moved its adoption:

H-1602

- 1 Amend House File 700 as follows:
- 2 1. Page 30, by inserting after line 27 the
- 3 following:
- 4 "Sec. ____ Section 96.7, subsection 12, paragraph
- 5 a, Code 2003, is amended to read as follows:
- 6 a. An employer other than a governmental entity or
- 7 a nonprofit organization, subject to this chapter,
- 8 shall pay an administrative contribution surcharge
- 9 equal in amount to one-tenth of one percent of federal
- 10 taxable wages, as defined in section 96.19, subsection
- 11 37, paragraph "b", subject to the surcharge formula to
- 12 be developed by the department under this paragraph.
- 13 The department shall develop a surcharge formula that
- 14 provides a target revenue level of no greater than six
- 15 million five hundred twenty-five thousand dollars
- 16 annually for calendar years 2003, 2004, and 2005 and a
- 17 target revenue level of no greater than three million
- 18 two hundred sixty-two thousand five hundred dollars
- 19 for calendar year 2006 and each subsequent calendar
- 20 year. The department shall reduce the administrative
- 21 contribution surcharge established for any calendar
- 22 year proportionate to any federal government funding
- 23 that provides an increased allocation of moneys for
- 24 workforce development offices, under the federal
- 25 employment services financing reform legislation. Any
- 26 administrative contribution surcharge revenue that is

27 collected in calendar year ~~2002~~ 2003, 2004, or 2005 in
28 excess of six million five hundred twenty-five
29 thousand dollars ~~or in calendar year 2006 or a~~
30 ~~subsequent calendar year in excess of three million~~
31 ~~two hundred sixty-two thousand five hundred dollars~~
32 shall be deducted from the amount to be collected in
33 ~~the subsequent~~ calendar year 2003 before the
34 department establishes the administrative contribution
35 surcharge. The department shall recompute the amount
36 as a percentage of taxable wages, as defined in
37 section 96.19, subsection 37, and shall add the
38 percentage surcharge to the employer's contribution
39 rate determined under this section. The percentage
40 surcharge shall be capped at a maximum of seven
41 dollars per employee. The department shall adopt
42 rules prescribing the manner in which the surcharge
43 will be collected. Interest shall accrue on all
44 unpaid surcharges under this subsection at the same
45 rate as on regular contributions and shall be
46 collectible in the same manner. Interest accrued and
47 collected under this paragraph and interest earned and
48 credited to the fund under paragraph "b" shall be used
49 by the department only for the purposes set forth in
50 paragraph "c".

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- 1 Sec. ____ . Section 96.7, subsection 12, paragraph
2 d, Code 2003, is amended to read as follows:
3 d. This subsection is repealed July 1, ~~2003~~ 2006,
4 and the repeal is applicable to contribution rates for
5 calendar year ~~2004~~ 2007 and subsequent calendar
6 years."
7 2. Page 46, by inserting after line 15 the
8 following:
9 " ____ . The amendment to section 96.7."

Roberts of Carroll in the chair at 2:28 p.m.

Amendment H-1602 lost.

Winckler of Scott offered the following amendment H-1604 filed by her from the floor and moved its adoption:

H-1604

- 1 Amend House File 700 as follows:
2 1. Page 31, by inserting after line 17, the
3 following:
4 "Sec. ____ . Section 256.7, subsection 7, unnumbered

5 paragraph 5, Code 2003, is amended to read as follows:

6 For the purpose of the rules adopted by the state
7 board, telecommunications means narrowcast
8 communications through systems that are directed
9 toward a narrowly defined audience, ~~and~~ includes
10 interactive live communications, and includes internet
11 web-based applications.

12 Sec. ____ Section 256.9, subsection 50, Code 2003,
13 is amended to read as follows:

14 50. Develop core knowledge and skill criteria
15 ~~models~~, based upon the Iowa teaching standards, for
16 the evaluation, the advancement, and for teacher
17 career development purposes pursuant to chapter 284.
18 The ~~model~~ criteria shall further define the
19 characteristics of quality teaching as established by
20 the Iowa teaching standards. The director, in
21 consultation with the board of educational examiners,
22 shall also develop a transition plan for
23 implementation of the career development standards
24 developed pursuant to section 256.7, subsection 25,
25 with regard to licensure renewal requirements. The
26 plan shall include a requirement that practitioners be
27 allowed credit for career development completed prior
28 to implementation of the career development standards
29 developed pursuant to section 256.7, subsection 25.

30 Sec. 101. Section 256D.9, Code 2003, is amended to
31 read as follows:

32 256D.9 FUTURE REPEAL.

33 This chapter is repealed effective July 1, 2003
34 2004."

35 2. By striking page 33, line 25 through page 34,
36 line 4 and inserting the following:

37 "Sec. ____ Section 284.2, subsections 1 and 3,
38 Code 2003, are amended to read as follows:

39 1. "Beginning teacher" means an individual serving
40 under an initial ~~provisional~~ license, issued by the
41 board of educational examiners under chapter 272, who
42 is assuming a position as a classroom teacher. For
43 purposes of the beginning teacher mentoring and
44 induction program created pursuant to section 284.5,
45 "beginning teacher" also includes preschool teachers
46 who are licensed by the board of educational examiners
47 under chapter 272 and are employed by a school
48 district or area education agency.

49 3. "Comprehensive evaluation" means a summative
50 evaluation of a beginning teacher conducted by an

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1 evaluator for purposes of determining a beginning
2 teacher's level of competency, ~~relative to the Iowa~~
3 ~~teaching standards and~~ for recommendation for

4 licensure based upon ~~models developed pursuant to~~
5 ~~section 256.9, subsection 50~~ the Iowa teaching
6 standards, and to determine whether the teacher's
7 practice meets the school district expectations for a
8 career teacher.

9 Sec. ____ Section 284.3, subsection 2, paragraphs
10 a and b, Code 2003, are amended to read as follows:

11 a. ~~By July 1, 2002, for~~ For purposes of
12 comprehensive evaluations for beginning teachers
13 required to allow beginning teachers to progress to
14 career teachers, standards and criteria that are the
15 Iowa teaching standards specified in subsection 1 and
16 the ~~model~~ criteria for the Iowa teaching standards
17 developed by the department in accordance with section
18 256.9, subsection 50. These standards and criteria
19 shall be set forth in an instrument provided by the
20 department. The comprehensive evaluation and
21 instrument are not subject to negotiations or
22 grievance procedures pursuant to chapter 20 or
23 determinations made by the board of directors under
24 section 279.14. A local school board and its
25 certified bargaining representative may negotiate,
26 pursuant to chapter 20, evaluation and grievance
27 procedures for beginning teachers that are not in
28 conflict with this chapter. If, in accordance with
29 section 279.19, a beginning teacher appeals the
30 determination of a school board to an adjudicator
31 under section 279.17, the adjudicator selected shall
32 have successfully completed training related to the
33 Iowa teacher standards, the ~~model~~ criteria adopted by
34 the state board of education in accordance with
35 subsection 3, ~~as enacted by this Act~~, and any
36 additional training required under rules adopted by
37 the public employment relations board in cooperation
38 with the state board of education.

39 b. ~~By July 1, 2004~~ 2005, for purposes of
40 performance reviews for teachers other than beginning
41 teachers, evaluations that contain, at a minimum, the
42 Iowa teaching standards specified in subsection 1, as
43 well as the ~~model~~ criteria for the Iowa teaching
44 standards developed by the department in accordance
45 with section 256.9, subsection 50. A local school
46 board and its certified bargaining representative may
47 negotiate, pursuant to chapter 20, additional teaching
48 standards and criteria. A local school board and its
49 certified bargaining representative may negotiate,
50 pursuant to chapter 20, evaluation and grievance

3 Sec. ____ Section 284.3, subsection 3, Code 2003,
4 is amended to read as follows:

5 3. The state board shall adopt by rule pursuant to
6 chapter 17A the ~~model~~ criteria developed by the
7 department in accordance with section 256.9,
8 subsection 50.

9 Sec. ____ Section 284.4, subsection 1, paragraphs
10 c and d, Code 2003, are amended to read as follows:

11 c. Provide, beginning in the ~~fourth~~ fifth year of
12 participation, the equivalent of two additional
13 contract days, outside of instruction time, than were
14 provided in the school year preceding the first year
15 of participation, to provide additional time for
16 teacher career development that aligns with student
17 learning and teacher development needs, including the
18 integration of technology into curriculum development,
19 in order to achieve attendance center and district-
20 wide student achievement goals outlined in the
21 district comprehensive school improvement plan.
22 School districts are encouraged to develop strategies
23 for restructuring the school calendar to provide for
24 the most effective professional development, evaluate
25 their current career development alignment with their
26 student achievement goals and research-based
27 instructional strategies, and implement district
28 career development plans. A school district that
29 provides the equivalent of ten or more contract days
30 for career development is exempt from this paragraph.
31 d. Adopt a district and teacher career development
32 program plans in accordance with this chapter.

33 Sec. ____ Section 284.5, subsection 6, Code 2003,
34 is amended to read as follows:

35 6. Upon completion of the program, the beginning
36 teacher shall be comprehensively evaluated to
37 determine if the teacher meets expectations to move to
38 the career level. The school district or area
39 education agency that employs the beginning teacher
40 shall recommend for ~~an educational~~ a standard license
41 a beginning teacher who is determined through a
42 comprehensive evaluation to demonstrate competence in
43 the Iowa teaching standards. A school district or
44 area education agency may offer a beginning teacher a
45 third year of participation in the program if, after
46 conducting a comprehensive evaluation, the school
47 district determines that the teacher is likely to
48 successfully complete the mentoring and induction
49 program by the end of the third year of eligibility.
50 A teacher granted a third year of eligibility shall

2 plan in accordance with this chapter and shall undergo
3 a comprehensive evaluation at the end of the third
4 year. The board of educational examiners shall grant
5 a one-year extension of the beginning teacher's
6 ~~provisional~~ initial license upon notification by the
7 school district that the teacher will participate in a
8 third year of the school district's program.

9 Sec. ____ Section 284.6, subsection 5, Code 2003,
10 is amended to read as follows:

11 5. The teacher's evaluator shall annually meet
12 with the teacher to review progress in meeting the
13 goals in the teacher's individual plan. The teacher
14 shall present to the evaluator evidence of progress.
15 The purpose of the meeting shall be to review the
16 teacher's progress in meeting career development goals
17 in the plan and to review collaborative work with
18 other staff on student achievement goals and to modify
19 as necessary the teacher's individual plan to reflect
20 the individual teacher's and the school district's
21 needs and the individual's progress in meeting the
22 goals in the plan. The ~~teacher's supervisor~~ evaluator
23 shall review, modify, or accept modifications made to
24 the teacher's individual plan.

25 Sec. ____ Section 284.7, subsection 1, paragraph
26 a, subparagraph (1), subparagraph subdivision (b),
27 Code 2003, is amended to read as follows:

28 (b) Holds a ~~provisional~~ an initial teacher license
29 issued by the board of educational examiners.

30 Sec. ____ Section 284.7, subsection 2, paragraph
31 a, subparagraph (1), Code 2003, is amended to read as
32 follows:

33 (1) A career II teacher is a teacher who meets the
34 requirements of subsection 1, paragraph "b", has met
35 the requirements established by the school district
36 that employs the teacher, and is evaluated by the
37 school district as demonstrating the competencies of a
38 career II teacher. The teacher shall have
39 successfully completed a ~~comprehensive evaluation~~
40 performance review in order to be classified as a
41 career II teacher.

42 Sec. ____ Section 284.7, subsection 4, Code 2003,
43 is amended to read as follows:

44 4. If a ~~comprehensive evaluation~~ performance
45 review for a teacher is conducted in the fifth year of
46 the teacher's status at the career level, and
47 indicates that the teacher's practice no longer meets
48 the standards for that level, a ~~comprehensive~~
49 evaluation performance review shall be conducted in
50 the next following school year. If the ~~comprehensive~~

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1 ~~evaluation performance review~~ establishes that the
2 teacher's practice fails to meet the standards for
3 that level, the teacher shall be ineligible for any
4 additional pay increase other than a cost-of-living
5 increase.

6 Sec. __. Section 284.7, subsection 6, paragraph
7 a, Code 2003, is amended to read as follows:

8 a. ~~For the school year beginning July 1, 2002, and~~
9 ~~ending June 30, 2003, if~~ If the licensed employees of
10 a school district or area education agency receiving
11 funds pursuant to section 284.13, subsection 1,
12 paragraph "g" or "h", for purposes of this section,
13 are organized under chapter 20 for collective
14 bargaining purposes, the board of directors and the
15 certified bargaining representative for the licensed
16 employees shall mutually agree upon a formula for
17 distributing the funds among the teachers employed by
18 the school district or area education agency.

19 However, the school district must comply with the
20 salary minimums provided for in this section. The
21 parties shall follow the negotiation and bargaining
22 procedures specified in chapter 20 except that if the
23 parties reach an impasse, neither impasse procedures
24 agreed to by the parties nor sections 20.20 through
25 20.22 shall apply and the funds shall be paid as
26 provided in paragraph "b". Negotiations under this
27 section are subject to the scope of negotiations
28 specified in section 20.9. If a board of directors
29 and the certified bargaining representative for
30 licensed employees have not reached mutual agreement
31 ~~by July 15, 2002, for the distribution of funds~~
32 ~~received pursuant to section 284.13, subsection 1,~~
33 ~~paragraph "g" or "h", by July 15 of the fiscal year~~
34 ~~for which the funds are distributed,~~ paragraph "b" of
35 this subsection shall apply.

36 Sec. __. Section 284.8, subsection 2, Code 2003,
37 is amended to read as follows:

38 2. If a supervisor or an evaluator determines, at
39 any time, as a result of a teacher's performance that
40 the teacher is not meeting district expectations under
41 the Iowa teaching standards specified in section
42 284.3, subsection 1, paragraphs "a" through "g", the
43 ~~model~~ criteria for the Iowa teaching standards
44 developed by the department in accordance with section
45 256.9, subsection 50, ~~or~~ and any other standards or
46 criteria established in the collective bargaining
47 agreement, the evaluator shall, at the direction of
48 the teacher's supervisor, recommend to the district
49 that the teacher participate in an intensive
50 assistance program. The intensive assistance program

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1 and its implementation are not subject to negotiation
2 or grievance procedures established pursuant to
3 chapter 20. By July 1, 2004 ~~2005~~, all school
4 districts must be prepared to offer an intensive
5 assistance program.

6 Sec. ____ Section 284.9, subsection 3, Code 2003,
7 is amended to read as follows:

8 3. To assure fairness and consistency in the
9 evaluation process, the review panels may perform
10 random audits of the comprehensive evaluations and
11 performance reviews conducted by evaluators throughout
12 the state, and may randomly review ~~performance-based~~
13 ~~evaluation models~~ how the evaluators are evaluating
14 teachers based upon the Iowa teaching standards
15 ~~developed by school districts in accordance with~~
16 ~~section 284.3, subsection 2. The review of the~~
17 ~~evaluation models shall ensure that the model is at~~
18 ~~least equivalent to the state models developed~~
19 ~~pursuant to section 256.9, subsection 50.~~

20 Sec. ____ Section 284.10, subsections 4 and 5,
21 Code 2003, are amended to read as follows:

22 4. ~~By July 1, 2003, a~~ A higher education
23 institution approved by the state board to provide an
24 administrator preparation program shall incorporate
25 the evaluator training program into the program
26 offered by the institution.

27 5. ~~Beginning July 1, 2003, the~~ The board of
28 educational examiners shall require certification as a
29 condition of issuing or renewing an administrator's
30 license.

31 Sec. ____ Section 284.13, subsection 1, paragraph
32 a, Code 2003, is amended by striking the paragraph."

33 3. Page 42, line 11, by striking the word and
34 figure "and 266.26" and inserting the following:
35 "266.26, and 284.11".

36 4. Page 45, by inserting after line 9, the
37 following:

38 "Sec. ____ MINIMUM TEACHER SALARY REQUIREMENTS -
39 FY 2003-2004.

40 1. Notwithstanding section 284.7, subsection 1,
41 paragraph "a", subparagraph (2), the minimum teacher
42 salary paid by a school district or area education
43 agency for purposes of teacher compensation in
44 accordance with chapter 284, for the fiscal year
45 beginning July 1, 2003, and ending June 30, 2004,
46 shall be the minimum salary amount the school district
47 or area education agency paid to a first-year
48 beginning teacher or, the minimum salary amount the
49 school district or area education agency would have
50 paid a first-year beginning teacher if the school

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1 district or area education agency had participated in
2 the program in the 2001-2002 school year, in
3 accordance with section 284.7, subsection 1, Code
4 Supplement 2001. If the school district or area
5 education agency did not employ a first-year beginning
6 teacher in the 2001-2002 school year, the minimum
7 salary is the amount that the district would have paid
8 a first-year beginning teacher under chapter 284 in
9 the 2001-2002 school year.

10 2. Notwithstanding section 284.7, subsection 1,
11 paragraph "b", subparagraph (2), the minimum career
12 teacher salary paid to a career teacher who was a
13 beginning teacher in the 2001-2002 school year, by a
14 school district or area education agency participating
15 in the student achievement and teacher quality
16 program, for the school year beginning July 1, 2003,
17 and ending June 30, 2004, shall be, unless the school
18 district has a minimum career teacher salary that
19 exceeds thirty thousand dollars, one thousand dollars
20 greater than the minimum salary amount the school
21 district or area education agency paid to a first-year
22 beginning teacher if the school district or area
23 education agency participated in the program during
24 the 2001-2002 school year, or the minimum salary
25 amount the school district or area education agency
26 would have paid a first-year beginning teacher if the
27 school district or area education agency had
28 participated in the program in the 2001-2002 school
29 year, in accordance with section 284.7, subsection 1,
30 Code Supplement 2001.

31 3. Notwithstanding section 284.7, subsection 1,
32 paragraph "b", subparagraph (2), and except as
33 provided in subsection 2, the minimum career teacher
34 salary paid by a school district or area education
35 agency participating in the student achievement and
36 teacher quality program, for purposes of teacher
37 compensation in accordance with chapter 284, for the
38 school year beginning July 1, 2003, and ending June
39 30, 2004, shall be the minimum salary amount the
40 school district or area education agency paid to a
41 career teacher if the school district or area
42 education agency participated in the program during
43 the 2001-2002 school year, or, the minimum salary
44 amount the school district or area education agency
45 would have paid a career teacher if the school
46 district or area education agency had participated in
47 the program in the 2001-2002 school year, in
48 accordance with section 284.7, subsection 1, Code
49 Supplement 2001."

50 5. Page 46, by inserting after line 30 the

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- 1 following:
- 2 "___ Section 101 of this division of this Act,
- 3 relating to the repeal of chapter 256D, being deemed
- 4 of immediate importance, takes effect upon enactment."
- 5 6. By renumbering, redesignating, and correcting
- 6 internal references as necessary.

Amendment H-1604 lost.

Winckler of Scott offered the following amendment H-1566 filed by Winckler, et al., and moved its adoption:

H-1566

- 1 Amend House File 700 as follows:
- 2 1. By striking page 33, line 25 through page 34,
- 3 line 4.

Amendment H-1566 lost.

Connors of Polk offered the following amendment H-1597 filed by him and Fallon of Polk from the floor and moved its adoption:

H-1597

- 1 Amend House File 700 as follows:
- 2 1. Page 34, by inserting after line 28, the
- 3 following:
- 4 "Sec. ___. Section 321.109, subsection 1,
- 5 unnumbered paragraph 1, Code 2003, is amended to read
- 6 as follows:
- 7 The annual fee for all motor vehicles, including
- 8 vehicles designated by manufacturers as station
- 9 wagons, and ~~1993 and subsequent model years for~~
- 10 multipurpose vehicles, except motor trucks, motor
- 11 homes, ambulances, hearses, motorcycles, and motor
- 12 bicycles, ~~and 1992 and older model years for~~
- 13 ~~multipurpose vehicles,~~ shall be equal to one percent
- 14 of the value as fixed by the department plus forty
- 15 cents for each one hundred pounds or fraction thereof
- 16 of weight of vehicle, as fixed by the department. The
- 17 weight of a motor vehicle, fixed by the department for
- 18 registration purposes, shall include the weight of a
- 19 battery, heater, bumpers, spare tire, and wheel.
- 20 Provided, however, that for any new vehicle purchased
- 21 in this state by a nonresident for removal to the
- 22 nonresident's state of residence the purchaser may

23 make application to the county treasurer in the county
24 of purchase for a transit plate for which a fee of ten
25 dollars shall be paid. And provided, however, that
26 for any used vehicle held by a registered dealer and
27 not currently registered in this state, or for any
28 vehicle held by an individual and currently registered
29 in this state, when purchased in this state by a
30 nonresident for removal to the nonresident's state of
31 residence, the purchaser may make application to the
32 county treasurer in the county of purchase for a
33 transit plate for which a fee of three dollars shall
34 be paid. The county treasurer shall issue a
35 nontransferable certificate of registration for which
36 no refund shall be allowed; and the transit plates
37 shall be void thirty days after issuance. Such
38 purchaser may apply for a certificate of title by
39 surrendering the manufacturer's or importer's
40 certificate or certificate of title, duly assigned as
41 provided in this chapter. In this event, the
42 treasurer in the county of purchase shall, when
43 satisfied with the genuineness and regularity of the
44 application, and upon payment of a fee of ten dollars,
45 issue a certificate of title in the name and address
46 of the nonresident purchaser delivering the same to
47 the person entitled to the title as provided in this
48 chapter. ~~The provisions of this subsection relating~~
49 ~~to multipurpose vehicles are effective January 1,~~
50 ~~1993, for all 1993 and subsequent model years. The~~

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1 ~~annual registration fee for multipurpose vehicles that~~
2 ~~are 1992 model years and older shall be in accordance~~
3 ~~with section 321.124.~~

4 Sec. ____ Section 321.113, subsection 5, paragraph
5 a, Code 2003, is amended to read as follows:

6 a. If a 1993 model year or older motor vehicle,
7 other than a multipurpose vehicle, has been titled in
8 the same person's name since the vehicle was new or
9 the title to the vehicle was transferred prior to
10 January 1, 2002, the part of the registration fee that
11 is based on the value of the vehicle shall be ten
12 percent of the rate as fixed when the motor vehicle
13 was new.

14 Sec. ____ Section 321.113, subsection 5, paragraph
15 b, unnumbered paragraph 1, Code 2003, is amended to
16 read as follows:

17 If the title of a 1993 model year or older motor
18 vehicle is transferred to a new owner or if such a
19 motor vehicle is brought into the state on or after
20 January 1, 2002, or if a vehicle is a 1993 model year
21 or older multipurpose vehicle, the registration fee

22 shall not be based on the weight and list price of the
23 motor vehicle, but shall be as follows:
24 Sec. ____ Section 321.124, subsection 3,
25 unnumbered paragraph 1, Code 2003, is amended to read
26 as follows:
27 The annual registration fee for motor homes and
28 ~~1992 and older model years for multipurpose vehicles~~
29 is as follows:
30 Sec. ____ Section 321.124, subsection 3, paragraph
31 h, Code 2003, is amended by striking the paragraph."
32 2. Page 46, by inserting after line 30 the
33 following:
34 "Sec. ____ EFFECTIVE DATE. The sections of this
35 division of this Act amending sections 321.109,
36 321.113, and 321.124 take effect January 1, 2004, for
37 new registrations and for registration periods
38 beginning on or after that date."
39 3. By renumbering as necessary.

Amendment H-1597 lost.

Elgin of Linn asked and received unanimous consent that amendment H-1600 be deferred.

Bell of Jasper offered the following amendment H-1588 filed by Bell, Greiner of Washington and Freeman of Buena Vista from the floor and moved its adoption:

H-1588

1 Amend House File 700 as follows:
2 1. Page 41, line 6, by striking the words "for
3 the purpose" and inserting the following: "that
4 produces electricity."
5 2. Page 41, by striking lines 7 through 14.

Amendment H-1588 was adopted.

Jacobs of Polk asked and received unanimous consent to withdraw amendment H-1581 filed by her from the floor.

Mascher of Johnson offered the following amendment H-1580 filed by her from the floor and moved its adoption:

H-1580

1 Amend House File 700 as follows:
2 1. Page 42, by inserting after line 20, the

3 following:

4 "Sec. 200. There is appropriated from the general
5 fund of the state to the state election fund of the
6 secretary of state, as established by the department
7 of management, for the fiscal period beginning July 1,
8 2002, and ending June 30, 2005, the following amount,
9 or so much thereof as is necessary, for implementation
10 of Pub. L. No. 107-252, the Help America Vote Act of
11 2002, to be expended in accordance with the plan
12 submitted by the governor to the federal election
13 assistance commission as established by Pub. L. No.
14 107-252, section 201, and to provide a match of the
15 federal appropriation allocated to Iowa pursuant to
16 Pub. L. No. 107-252:
17 \$ 1,500,000".

18 2. Page 46, by inserting after line 30 the
19 following:

20 "10. Section 200, making an appropriation to the
21 state election fund of the secretary of state."

22 3. By renumbering as necessary.

Amendment H-1580 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment H-1587 filed by him from the floor.

Carroll of Poweshiek offered the following amendment H-1592 filed by him from the floor and moved its adoption:

H-1592

1 Amend House File 700 as follows:

2 1. Page 49, by inserting after line 5, the
3 following:

4 "Sec. ____ 2003 Iowa Acts, House File 619, section
5 7, subsection 4, paragraph b, if enacted, is amended
6 to read as follows:

7 b. Pharmacies and providers that are enrolled in
8 the medical assistance program shall make available
9 drug acquisition cost information, product
10 availability information, and other information deemed
11 necessary by the department for the determination of
12 reimbursement rates and the efficient operation of the
13 pharmacy benefit. Pharmacies and providers shall
14 produce and submit the requested information in the
15 manner and format requested by the department or its
16 designee at no cost to the department or designee.
17 Pharmacies and providers shall submit information to
18 the department or its designee within thirty days
19 following receipt of a request for information unless

20 the department or its designee grants an extension
21 upon written request of the pharmacy or provider.
22 Notwithstanding the required provision of information
23 by pharmacies and providers under this paragraph, if
24 the department is able to obtain any of the
25 information required to be provided under this
26 paragraph in an alternative manner, through which the
27 department is ensured of the validity and accuracy of
28 the information and of the timely submission of the
29 information, the department may instead obtain the
30 information in the alternative manner. Chapter 550
31 shall apply to the information provided by pharmacies
32 and providers under this paragraph."
33 2. By renumbering as necessary.

Amendment H-1592 was adopted.

Berry of Black Hawk offered the following amendment H-1589
filed by her from the floor and moved its adoption:

H-1589

1 Amend House File 700 as follows:
2 1. Page 50, line 32, by inserting after the word
3 "methamphetamine" the following: "or crack cocaine".

Amendment H-1589 lost.

Dix of Butler offered the following amendment H-1584 filed by
him and Jenkins of Black Hawk from the floor and moved its
adoption:

H-1584

1 Amend House File 700 as follows:
2 1. Page 51, by inserting after line 11 the
3 following:
4 "DIVISION ____
5 Sec. 201. PURPOSE AND DEFINITIONS.
6 1. PURPOSE. The general assembly finds that the
7 Iowa communications network is a valuable state asset
8 that has served the people of the state well, but
9 which requires significant ongoing financial support
10 from the state in the form of annual appropriations.
11 The operation of a telecommunications network is a
12 function that can be and generally is conducted by
13 private enterprise. It is in the public interest to
14 sell the Iowa communications network to a qualified
15 private business enterprise that will commit to

16 provide the same secure low-cost high-quality service
17 to state and federal agencies and military
18 installations now provided by the network. Through
19 such a sale, the state would eliminate the need for
20 ongoing annual appropriations while preserving the key
21 benefits enjoyed by the state under the present state
22 ownership of the network. The state also expects to
23 obtain sufficient proceeds from such a sale to cover
24 existing obligations and to realize additional
25 proceeds above the level of such obligations. Given
26 the current depressed state of the telecommunications
27 industry, the state can reasonably be expected to
28 maximize sales proceeds by allowing a purchaser a
29 period of time in which to assemble financing for its
30 purchase. During the interim between enactment of
31 this division of this Act and completion of a sale,
32 the services of a private-enterprise manager with
33 experience operating telecommunications networks can
34 reasonably be expected to reduce the costs of
35 operating the Iowa communications network, thereby
36 lowering or possibly eliminating annual
37 appropriations.

38 2. DEFINITIONS. As used in this division of this
39 Act, unless the context otherwise requires:

40 a. "Board" means the state network privatization
41 board.

42 b. "Commission" means the Iowa telecommunications
43 and technology commission established in section 8D.3
44 to oversee the operations of the network.

45 c. "Management contract" means an agreement
46 between the board and the manager for services to
47 oversee and operate the network on behalf of the
48 state.

49 d. "Manager" means the private entity selected by
50 the board to oversee and operate the network on behalf

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1 of the state.

2 e. "Network" means the Iowa or state
3 communications network as defined in section 8D.2.

4 f. "Out-of-pocket expenses" means moneys paid to
5 an unaffiliated third party for engineering, legal,
6 consulting, or other services or goods by a manager or
7 purchaser.

8 g. "Purchaser" means the entity that is selected
9 by the board to purchase the network from the state.

10 h. "Required third-party approval" means any
11 consent, conveyance, approval, or waiver that must be
12 granted by a private, governmental, or quasi-
13 governmental third party in order for the purchaser to
14 receive clear title to all network assets and the

15 right to use the network assets free of adverse
16 claims. Required third-party approvals include but
17 are not limited to all of the following:

18 (1) Approvals of assignments to the purchaser of
19 the state's rights under leases or contracts between
20 the state and the third party.

21 (2) Conveyance to the purchaser of property that
22 the third party currently leases to the state on a
23 term with less than fifteen years remaining.

24 (3) Release of restrictions in contracts that
25 require that the state operate the network.

26 i. "Sales contract" means the contract between the
27 state as seller, represented by the board, and the
28 purchaser, for sale of the network to the purchaser.

29 Sec. 202. STATE NETWORK PRIVATIZATION BOARD
30 CREATED - DUTIES.

31 1. A state network privatization board is created.

32 The board shall consist of the following members:

33 a. A chairperson member appointed by the
34 legislative council, subject to confirmation by the
35 senate.

36 b. A member, who shall not be of the same
37 political party as the chairperson, appointed by the
38 governor subject to confirmation by the senate.

39 c. The adjutant general or the adjutant general's
40 designee.

41 2. The board shall do all of the following:

42 a. Issue a request for proposals from qualified
43 entities interested in serving as the manager of the
44 network. This request for proposals shall be issued
45 by July 1, 2004, and responses to the request for
46 proposals shall be due by August 1, 2004.

47 b. Select a manager and enter into a management
48 contract with the manager by October 1, 2004. The
49 management contract shall provide for the continuation
50 of all services currently being provided to state and

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1 federal agencies and military installations pursuant
2 to chapter 8D, at the rates specified therein, for the
3 duration of the contract. The contract shall also
4 specify the manager's authority in relation to the
5 duties of the commission during the period between
6 execution of the management contract and closing of
7 the sale of the network. The commission shall
8 establish a dispute resolution process regarding rate
9 increases, quality of service issues, and other areas
10 of dispute involving network subscribers. The
11 commission shall also make recommendations regarding
12 imposition of an ongoing dispute resolution and
13 appeals process commencing with the closing of the

14 sale of the network.

15 c. Issue a request for proposals from qualified
16 entities for the purchase of the network. This
17 request for proposals shall be issued by January 1,
18 2005, and responses to the request for proposals shall
19 be due by May 1, 2005.

20 d. Utilizing the criteria set forth in sections
21 203 and 204 of this Act, select a purchaser and enter
22 into a sales contract with the purchaser by October 1,
23 2005.

24 e. Immediately upon execution of the management
25 contract and the sales contract by the majority of the
26 board, transmit the executed contract to the general
27 assembly and to the governor. The board shall have
28 full authority to enter into the management contract
29 and the sales contract on behalf of the state,
30 provided that the general assembly by legislation
31 enacted regarding the specific purchase and approved
32 by the governor, within thirty days after transmittal
33 to the general assembly and the governor in the case
34 of the management contract, and within sixty days
35 after transmittal to the general assembly and the
36 governor in the case of the sales contract, may
37 disapprove the board's action, in which case the
38 disapproved contract shall have no force and effect.
39 In the event of such disapproval, the state shall pay
40 the manager or the purchaser, as the case may be,
41 reasonable out-of-pocket expenses incurred in
42 preparing a proposal and performing prior to
43 disapproval, but such expenses shall not exceed two
44 hundred thousand dollars in the case of disapproval of
45 the management contract and five hundred thousand
46 dollars in the case of disapproval of the sales
47 contract. In the event that multiple management
48 contracts or sales contracts have been executed, the
49 two hundred thousand dollars and five hundred thousand
50 dollars shall be distributed pro rata among all

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1 management contracts and sales contracts executed.

2 f. Cause the sales contract to require closing by
3 October 1, 2007, allowing time for the state to obtain
4 third-party approvals as required by section 206 of
5 this Act, including the filing of any necessary
6 eminent domain actions, and for the purchaser to
7 secure financing.

8 g. Execute all necessary documents relating to the
9 closing of the sale of the network. The board may
10 direct any other applicable official to assist in the
11 execution of necessary documents relating to the
12 closing.

13 h. Require by written directive that all state
14 officials provide information and records concerning
15 the network to the board, to the manager, or to a
16 person submitting a proposal to purchase the network,
17 whenever the board requires such provision of such
18 records and other information.

19 i. Take all other steps necessary and proper as
20 needed to carry out its responsibilities enumerated in
21 this subsection. The board may adopt necessary rules
22 pursuant to chapter 17A to administer this division of
23 this Act.

24 Sec. 203. MINIMUM QUALIFICATIONS OF PURCHASER.

25 The purchaser shall meet the following requirements:

26 1. The principal place of business of the
27 purchaser and any parent of the purchaser shall be
28 located in the state of Iowa.

29 2. For national security reasons, and because of
30 the extensive military use of the network, the
31 purchaser shall possess national security approval.

32 Sec. 204. CRITERIA FOR SELECTION OF PURCHASER.

33 After issuing a request for proposals for the purchase
34 of the network and considering the proposals received,
35 the board shall select the highest and best offer for
36 purchase of the network from those persons submitting
37 proposals which meet all of the following criteria:

38 1. Satisfy the minimum qualifications of this
39 division of this Act.

40 2. Submit a proposal in compliance with the
41 request for proposals.

42 3. Demonstrate a likelihood of being able to
43 obtain any financing necessary to close the
44 transaction. However, the board shall not require
45 that the purchaser have a commitment for financing to
46 award the contract, but shall allow the purchaser at
47 least one year to obtain any necessary financing. The
48 board may also in its discretion consider proposals
49 involving financing of the sale by the state.

50 4. Agree to continue all services currently being

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1 provided to state and federal agencies and military
2 installations for the next ten years, with any annual
3 rate increase not to exceed five percent per year,
4 provided that the purchaser shall not be required to
5 supply at such restricted prices a quantity or quality
6 of service greater than that provided by the network
7 as of execution of the contract for sale of the
8 network.

9 Sec. 205. CLOSING OF SALE. Any debt of the state
10 related to the network or other liens against network
11 assets shall be discharged out of the state's proceeds

12 of closing, so that the purchaser receives marketable
13 title to the network. The purchaser shall receive
14 bills of sale, in the case of personal property, and
15 deeds, in the case of real property, transferring all
16 network assets to the purchaser. The state shall also
17 transfer its interest in right-of-way and leases and
18 easements for uses of rights-of-way.

19 Sec. 206. THIRD-PARTY APPROVALS.

20 1. The state shall exercise all reasonable efforts
21 to obtain each required third-party approval,
22 including where necessary by use of eminent domain
23 proceedings. To the extent feasible, the state may
24 pay the costs of obtaining required third-party
25 approvals out of the proceeds of sale rather than from
26 the general fund of the state. In the event the state
27 fails to obtain a required third-party approval, the
28 purchaser may terminate the sales contract without
29 penalty and shall be reimbursed by the state for
30 reasonable out-of-pocket expenses incurred in
31 preparing its proposal and fulfilling its obligations
32 under the sales contract, not to exceed two million
33 dollars.

34 2. The board and the purchaser shall develop a
35 list of required third-party approvals and persons who
36 may have claims that would constitute required third-
37 party approvals if valid. The board shall mail to
38 each person on the list at their last known address a
39 notice that provides a description of the sale and
40 invites the recipient to submit a claim on a form
41 developed by the board by a deadline set by the board.
42 The claim or interest of any person who fails to
43 timely file a claim shall be deemed discharged and
44 forfeited, and such person shall be forever barred and
45 estopped from taking any action against the state or
46 purchaser that would in any way interfere with the
47 purchaser's use of the network. In addition, the
48 board shall publish the notice in newspapers of
49 general circulation in the state of Iowa, and failure
50 to file a timely claim shall bar all persons whose

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1 rights could constitutionally be affected by such
2 notice, just as if such person had been mailed notice.

3 3. Any eminent domain or other proceeding to
4 obtain a required third-party approval shall be
5 promptly filed by the attorney general at the request
6 of the board and shall be added to the calendar of any
7 trial or appellate court of this state so that the
8 deadline in section 202 of this Act for closing the
9 sale can be met.

10 Sec. 207. REMOVAL OF RESTRICTIONS – REPEAL OF

- 11 CHAPTER 8D. Chapter 8D is repealed, effective as of
12 the date of the closing of the sale of the network
13 under this division of this Act, as certified by the
14 chairperson of the board to the governor.
15 Sec. 208. ASSISTANCE OF OTHER STATE AGENCIES.
16 1. The attorney general shall provide legal advice
17 to the board.
18 2. All other state agencies shall provide whatever
19 assistance may reasonably be required by the board in
20 carrying out its duties under this division of this
21 Act."
22 2. By renumbering as necessary.

Amendment H-1584 was adopted.

Dix of Butler offered the following amendment H-1608 filed by him from the floor and moved its adoption:

H-1608

- 1 Amend House File 700 as follows:
2 1. Page 13, line 29, by inserting after the word
3 "governor." the following: "However, commencing July
4 1, 2003, the consumer advocate shall receive an annual
5 salary in the same salary range as the chairperson and
6 members of the utilities board."
7 2. By renumbering as necessary.

Amendment H-1608 was adopted.

Frevert of Palo Alto offered amendment H-1605 filed by Murphy of Dubuque from the floor as follows:

H-1605

- 1 Amend House File 700 as follows:
2 1. Page 24, by inserting after line 9 the
3 following:
4 "Sec. ____ Section 12D.1, unnumbered paragraph 1,
5 Code 2003, is amended to read as follows:
6 The general assembly finds that the general welfare
7 and well-being of the state are directly related to
8 educational levels and skills of the citizens of the
9 state, and that a vital and valid public purpose is
10 served by the creation and implementation of programs
11 which encourage and make possible the attainment of
12 higher education by the greatest number of citizens of
13 the state. The state has limited resources to provide
14 additional programs for higher education funding and

15 the continued operation and maintenance of the state's
16 public institutions of higher education and the
17 general welfare of the citizens of the state will be
18 enhanced by establishing a program which allows
19 citizens of the state to invest money in a public
20 trust for future application to the payment of higher
21 education costs. The creation of the means of
22 encouragement for citizens to invest in such a program
23 represents the carrying out of a vital and valid
24 public purpose. In order to make available to the
25 citizens of the state an opportunity to fund future
26 higher education needs, it is necessary that a public
27 trust be established in which moneys may be invested
28 for future educational use. ~~It is also necessary to~~
29 ~~establish an endowment fund which may be funded with~~
30 ~~public funds, among other sources, the income from~~
31 ~~which will be made available to participants in the~~
32 ~~trust to enhance their savings invested for the~~
33 ~~payment of future higher education costs.~~
34 Sec. ____ Section 12D.1, subsections 5 and 13,
35 Code 2003, are amended by striking the subsections.
36 Sec. ____ Section 12D.2, subsections 4, 8, 10, 11,
37 and 12, Code 2003, are amended to read as follows:
38 4. Accept any grants, gifts, legislative
39 appropriations, and other moneys from the state, any
40 unit of federal, state, or local government, or any
41 other person, firm, partnership, or corporation which
42 the treasurer of state shall deposit into the
43 administrative fund, ~~the endowment fund,~~ or the
44 program fund.
45 ~~8. Solicit and accept for the benefit of the~~
46 ~~endowment fund gifts, grants, and other moneys,~~
47 ~~including legislative appropriations and grants from~~
48 ~~any federal, state, or local governmental agency.~~
49 10. Make payments to institutions of higher
50 education, ~~participants, or beneficiaries~~ pursuant to

Page 2

1 participation agreements on behalf of beneficiaries.
2 11. Make refunds to participants upon the
3 termination of participation agreements and partial
4 nonqualified distributions to participants pursuant to
5 the provisions, limitations, and restrictions set
6 forth in this chapter.
7 12. Invest moneys from ~~the endowment fund and the~~
8 program fund in any investments which are determined
9 by the treasurer of state to be appropriate.
10 Sec. ____ Section 12D.3, subsections 2 and 3, Code
11 2003, are amended to read as follows:
12 2. Beneficiaries designated in participation
13 agreements may be designated ~~from date of birth up to,~~

14 ~~but not including, their eighteenth birthday at any~~
15 ~~age. A substitute beneficiary may be older than age~~
16 ~~eighteen provided that the substitute beneficiary is~~
17 ~~not older than the original beneficiary.~~

18 ~~2. A participant's account balance shall be~~
19 ~~refunded to the participant, less endowment fund~~
20 ~~earnings, and less a refund penalty levied by the~~
21 ~~trust against account balance earnings, if any, in the~~
22 ~~event an account balance remains in the account for a~~
23 ~~thirty day period following the beneficiary's~~
24 ~~thirtieth birthday.~~

25 Sec. __. Section 12D.4, Code 2003, is amended by
26 striking the section and inserting in lieu thereof the
27 following:

28 12D.4 PROGRAM AND ADMINISTRATIVE FUNDS -
29 INVESTMENT AND PAYMENTS.

30 1. The treasurer of state shall segregate moneys
31 received by the trust into two funds: the program
32 fund and the administrative fund.

33 2. All moneys paid by participants in connection
34 with participation agreements shall be deposited as
35 received into separate accounts within the program
36 fund.

37 3. Contributions to the trust made by participants
38 may only be made in the form of cash.

39 4. A participant or beneficiary shall not provide
40 investment direction regarding program contributions
41 or earnings held by the trust.

42 5. Moneys accrued by participants in the program
43 fund of the trust may be used for payments to any
44 institution of higher education. Payments may be made
45 to the institution, the participant, or the
46 beneficiary.

47 Sec. __. Section 12D.5, Code 2003, is amended by
48 striking the section and inserting in lieu thereof the
49 following:

50 12D.5 CANCELLATION OF AGREEMENTS.

Page 3

1 A participant may cancel a participation agreement
2 at will. Upon cancellation of a participation
3 agreement, a participant shall be entitled to the
4 return of the participant's account balance.

5 Sec. __. Section 12D.6, subsection 3, Code 2003,
6 are amended by striking the subsection.

7 Sec. __. Section 12D:9, subsection 1, paragraphs
8 c, d, and e, Code 2003, are amended to read as
9 follows:

10 c. Pursuant to section 12D.4, subsection 1,
11 ~~paragraph "b" 2~~, a separate account is established for
12 each beneficiary.

13 d. Pursuant to section 12D.4, subsection 4,
14 ~~paragraph "f"~~ 3, contributions may only be made in the
15 form of cash.

16 e. Pursuant to section 12D.4, subsection 4,
17 ~~paragraph "g"~~ 4, a participant or beneficiary shall
18 not provide investment direction regarding program
19 contributions or earnings held by the trust.

20 Sec. ____ Section 12D.9, subsection 1, paragraph
21 f, Code 2003, is amended by striking the paragraph.

22 Sec. ____ Section 12D.9, subsection 2, Code 2003,
23 is amended to read as follows:

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

28 Sec. ____ Section 12D.10, subsection 1, Code 2003,
29 is amended to read as follows:

30 1. The assets of the trust, including the program
31 fund ~~and the endowment fund~~, shall at all times be
32 preserved, invested, and expended solely and only for
33 the purposes of the trust and shall be held in trust
34 for the participants and beneficiaries.

35 Sec. ____ Section 422.7, subsection 34, Code 2003,
36 is amended by striking the subsection.

37 Sec. ____ Section 422.35, subsection 14, Code
38 2003, is amended by striking the subsection."

39 2. Page 46, by inserting after line 13 the
40 following:

41 " ____ The amendments to sections 12D.1, 12D.2,
42 12D.3, 12D.4, 12D.5, 12D.6, 12D.9, 12D.10, 422.7, and
43 422.35, which shall apply retroactively to January 1,
44 2003, for tax years beginning on or after that date."

Kramer of Polk rose on a point of order that amendment H-1605 was not germane.

The Speaker ruled the point well taken and amendment H-1605 not germane.

Elgin of Linn asked and received unanimous consent to withdraw amendment H-1600, previously deferred, filed by him from the floor, placing out of order the following amendments to amendment H-1600, filed from the floor:

Amendment H-1606 filed by Hogg of Linn.

Amendment H-1607 filed by Hogg of Linn.

Amendment H-1609 filed by Hogg of Linn.

Amendment H-1610 filed by Mertz of Kossuth.

Gipp of Winneshiek asked and received unanimous consent that House File 700 be deferred and that the bill retain its place on the calendar.

The House stood at ease at 3:47 p.m., until the fall of the gavel.

The House resumed session at 4:47 p.m., Jacobs of Polk in the chair.

SENATE AMENDMENT CONSIDERED

Tjepkes of Webster called up for consideration **House File 595**, a bill for an act relating to certain voluntary annexations and to involuntary annexations and providing an effective date, amended by the Senate, and moved that the House concur in the following Senate amendment H-1579:

H-1579

- 1 Amend House File 595, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 2, by striking lines 17 through 20 and
- 4 inserting the following: "However, the area of the
- 5 territory that is public land included without the
- 6 written consent of the agency with jurisdiction over
- 7 the public land may not be used to determine the
- 8 percentage of territory that is included with the
- 9 consent of the owner and without the consent of the
- 10 owner."

The motion prevailed and the House concurred in the Senate amendment H-1579.

Tjepkes of Webster moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 595)

The ayes were, 88:

Alons
Boal
Connors

Arnold
Boddicker
Davitt

Baudler
Carroll
De Boef

Bell
Chambers
Dennis

| | | | |
|------------------|------------------|------------|----------------------|
| Dix | Dolecheck | Drake | Eichhorn |
| Elgin | Fallon | Foege | Ford |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Greiner | Hahn |
| Hansen | Hanson | Heaton | Heddens |
| Hoffman | Hogg | Horbach | Hunter |
| Huseman | Huser | Hutter | Jenkins |
| Jochum | Jones | Klemme | Kramer |
| Kuhn | Kurtenbach | Lalk | Lensing |
| Lukan | Lykam | Maddox | Mascher |
| Mertz | Miller | Murphy | Myers |
| Olson, D. | Olson, S. | Osterhaus | Paulsen |
| Petersen | Quirk | Raecker | Rants, Spkr. |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Shoultz | Smith |
| Stevens | Struyk | Taylor, D. | Taylor, T. |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Whitaker |
| Wilderdyke | Winckler | Wise | Jacobs, Presiding |

The nays were, 9:

| | | | |
|---------|--------|----------|----------|
| Berry | Cohoon | Dandekar | McCarthy |
| Oldson | Swaim | Thomas | Wendt |
| Whitead | | | |

Absent or not voting, 3:

| | | |
|--------|-------|------------|
| Bogges | Bukta | Manternach |
|--------|-------|------------|

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

HOUSE RECEDES

Heaton of Henry called up for consideration **House File 685**, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund, amended by the House and moved that the House recede from its amendment.

The motion prevailed and the House recedes.

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

On the question "Shall the bill pass?" (H.F. 685)

The ayes were, 96:

| | | | |
|------------|------------------|------------------|----------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Carroll | Chambers | Cphoon | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Elgin | Fallon |
| Foegè | Ford | Freeman | Frevert |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Olson, S. | Osterhaus | Paulsen |
| Petersen | Quirk | Raecker | Rants, Spkr. |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Taylor, T. | Thomas | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. |
| Watts | Wendt | Whitaker | Whitead |
| Wilderdyke | Winckler | Wise | Jacobs, Presiding |

The nays were, 1:

Eichhorn

Absent or not voting, 3:

Bukta

Connors

Manternach

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

SENATE AMENDMENT CONSIDERED

Hansen of Pottawattamie called up for consideration **House File 543**, a bill for an act relating to the provision of certain information for insureds regarding external review of health care coverage decisions, amended by the Senate, and moved that the House concur in the following Senate amendment H-1567:

H-1567

1 Amend House File 543, as passed by the House, as
2 follows:

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

5 "Section 1. Section 514C.4, subsection 1,
6 unnumbered paragraph 1, Code 2003, is amended to read
7 as follows:

8 A policy or contract providing for third-party
9 payment or prepayment of health or medical expenses
10 shall provide minimum mammography examination
11 coverage, including, but not limited to, the following
12 classes of third-party payment provider contracts or
13 policies delivered, issued for delivery, continued, or
14 renewed in this state ~~on or after July 1, 1989.~~

15 Sec. 2. Section 514C.4, subsection 2, paragraphs a
16 and c, Code 2003, are amended to read as follows:

17 a. One baseline mammogram for any woman who is
18 thirty-five through thirty-nine years of age, or more
19 frequent mammograms if recommended by the woman's
20 physician.

21 c. A mammogram every year for any woman who is
22 fifty years of age or older, or more frequently if
23 recommended by the woman's physician.

24 Sec. 3. Section 514C.4, subsection 4, Code 2003,
25 is amended to read as follows:

26 4. The commissioner of insurance shall adopt rules
27 under chapter 17A necessary to implement this section
28 ~~no later than July 1, 1989.~~

29 2. Title page, by striking lines 1 through 3 and
30 inserting the following: "An Act relating to minimum
31 mammography examination coverage, and making related
32 changes."

33 3. By renumbering, redesignating, and correcting
34 internal references as necessary.

The motion prevailed and the House concurred in the Senate amendment H-1567.

Hansen of Pottawattamie moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 543)

The ayes were, 95:

| | | | |
|------------------|------------------|------------------|------------|
| Arnold | Baudler | Bell | Berry |
| Boal | Boddicker | Boggess | Carroll |
| Chambers | Cohoon | Dandekar | Davitt |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Fallon |
| Foege | Ford | Freeman | Frevert |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Mascher | McCarthy | Mertz |
| Miller | Myers | Oldson | Olson, D. |
| Olson, S. | Osterhaus | Paulsen | Petersen |
| Quirk | Raecker | Rants, Spkr. | Rasmussen |
| Rayhons | Reasoner | Roberts | Sands |
| Schickel | Shoultz | Smith | Stevens |
| Struyk | Swaim | Taylor, D. | Taylor, T. |
| Thomas | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Wise | Jacobs, | |
| | | Presiding | |

The nays were, none.

Absent or not voting, 5:

| | | | |
|--------|-------|---------|------------|
| Alons | Bukta | Connors | Manternach |
| Murphy | | | |

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

SENATE AMENDMENT CONSIDERED

Chambers of O'Brien called up for consideration **House File 549**, a bill for an act relating to the duties and operations of the department of education and school boards, amended by the Senate amendment H-1578 as follows:

H-1578

- 1 Amend House File 549, as amended, passed, and
- 2 reprinted by the House, as follows:

3 1. Page 1, by inserting before line 1 the
4 following:
5 "Section 1. Section 256.5A, Code 2003, is amended
6 to read as follows:
7 256.5A NONVOTING MEMBER.
8 The governor shall appoint the one nonvoting
9 student member of the state board for a term of one
10 year beginning and ending as provided in section
11 69.19. The nonvoting student member shall be
12 appointed from a list of names submitted by the state
13 board of education. Students enrolled in either grade
14 ten or eleven in a public school may apply to the
15 state board to serve as a nonvoting student member.
16 The department shall develop an application process
17 that requires the consent of the student's parent or
18 guardian if the student is a minor, initial
19 application approval by the school district in which
20 the student applicant is enrolled, and submission of
21 approved applications by a school district to the
22 department. The nonvoting student member's school
23 district of enrollment shall notify the student's
24 parents if the student's grade point average falls
25 during the period in which the student is a member of
26 the state board. The state board shall adopt rules
27 under chapter 17A specifying criteria for the
28 selection of applicants whose names shall be submitted
29 to the governor. Criteria shall include, but are not
30 limited to, academic excellence, participation in
31 extracurricular and community activities, and interest
32 in serving on the board. Rules adopted by the state
33 board shall also require, if the student is a minor,
34 supervision of the student by the student's parent or
35 guardian while the student is engaged in authorized
36 state board business at a location other than the
37 community in which the student resides, unless the
38 student's parent or guardian submits to the state
39 board a signed release indicating the parent or
40 guardian has determined that supervision of the
41 student by the parent or guardian is unnecessary. The
42 nonvoting student member ~~shall be appointed without~~
43 ~~regard to political affiliation~~ appointment is not
44 subject to section 69.16 or 69.16A. The nonvoting
45 student member shall have been enrolled in a public
46 school in Iowa for at least one year prior to the
47 member's appointment. A nonvoting student member who
48 will not graduate from high school prior to the end of
49 a second term may apply to the state board for
50 submission of candidacy to the governor for a second

2 paid a per diem as provided in section 7E.6 and the
3 student and the student's parent or guardian shall be
4 reimbursed for actual and necessary expenses incurred
5 in the performance of the student's duties as a
6 nonvoting member of the state board. A vacancy in the
7 membership of the nonvoting student member shall not
8 be filled until the expiration of the term.

9 Sec. ____ Section 256.7, subsection 21, unnumbered
10 paragraph 1, Code 2003, is amended to read as follows:

11 Develop and adopt rules ~~by July 1, 1999,~~
12 incorporating accountability for, and reporting of,
13 student achievement into the standards and
14 accreditation process described in section 256.11.
15 The rules shall provide for all of the following:"

16 2. Page 1, by inserting after line 31 the
17 following:

18 "Sec. ____ Section 256.9, Code 2003, is amended by
19 adding the following new subsection:

20 NEW SUBSECTION. 53. Develop and implement a
21 statewide program of educational assessment reporting.
22 The director shall provide information needed to
23 improve public schools by collecting and disseminating
24 data and information resulting from assessments made
25 of public school students, to aid in the development
26 and evaluation of educational programs and policies by
27 school districts, and to inform parents of the
28 educational progress of their children in the public
29 schools. Information collected under the department's
30 statewide program of educational assessment reporting
31 shall be utilized as part of the state report card on
32 school performance and on statewide progress by the
33 state in accordance with implementation of the federal
34 No Child Left Behind Act of 2001, Pub. L. No. 107-110.
35 The program shall include the assignment of a unique
36 student identifier to each student attending
37 kindergarten through grade twelve.

38 a. Not later than July 1, 2004, the department
39 shall maintain an internet site that reports the
40 following:

41 (1) Iowa tests of basic skills scores for each
42 school district that administers the test and for each
43 attendance center within the school district for
44 grades three through eight. Each school district
45 administering the Iowa test of basic skills shall
46 provide a report to the department relating to each
47 attendance center's test score averages and a
48 longitudinal analysis of student progress as specified
49 in paragraph "c".

50 The report shall contain attendance-center-level

Page 3

1 test results for the Iowa test of basic skills in the
2 areas of reading, social studies, mathematics, and
3 science. The report shall include, but shall not be
4 limited to the number of students tested, the number
5 of test results used to compute the averages, average
6 standard score, the corresponding grade equivalent
7 score, average stanine score for the group, and the
8 normal curve equivalent of average standard scores,
9 and percentile ranks based on student norms, as well
10 as measures of student progress as specified in
11 paragraph "c".

12 (2) Iowa test of educational development scores
13 for each school district that administers the test and
14 for each attendance center within the school district
15 for grades nine through eleven. Each school district
16 administering the Iowa test of educational development
17 shall provide a report to the department relating to
18 each attendance center's test score averages and a
19 longitudinal analysis of student progress as specified
20 in paragraph "c".

21 b. Scores required to be reported under paragraph
22 "a", subparagraphs (1) and (2), shall be presented in
23 percentiles that allow for comparisons between
24 participating schools. The internet site shall
25 include background information regarding the tests,
26 including guidance for interpreting test scores and
27 the number of students that did not participate in the
28 tests and the reasons the students did not
29 participate.

30 c. The department shall approve the use of a
31 single value-added system to calculate annually the
32 amount of academic growth for each student, school,
33 and school district in reading and mathematics, and
34 other core academic areas where possible. The system
35 shall at a minimum contain the following capabilities:

36 (1) Use of a mixed-model statistical analysis that
37 has the ability to use all achievement test data for
38 each student, including the data for students with
39 missing test scores, that does not adjust downward
40 expectations for student progress based on race,
41 poverty, or gender, and that will provide the best
42 linear unbiased predictions of school or other
43 educational entity effects to minimize the impact of
44 fortuitous accumulation of random errors.

45 (2) The ability to work with test data from a
46 variety of sources, including data that are not
47 vertically scaled, and to provide a variety of
48 analyses of such data.

49 (3) The capacity to receive and report results
50 electronically and provide support for districts

Page 4

1 utilizing the system.

2 (4) The ability to create for each school district
3 a chart that reports grade-equivalent scores for
4 grades three through eight and gains between
5 consecutive pairs of grades for each attendance center
6 and provides for a district-wide study of grade
7 equivalent scores. The system shall create a chart
8 for each district in accordance with this
9 subparagraph.

10 d. Each school district shall have complete access
11 to and utilization of its own value-added assessment
12 reports generated by the system at the student level
13 for the purpose of measuring student achievement at
14 different educational entity levels.

15 Sec. __. Section 256.18, subsection 2, unnumbered
16 paragraph 2, Code 2003, is amended by striking the
17 unnumbered paragraph.

18 Sec. __. Section 256.39, subsection 8, Code 2003,
19 is amended by striking the subsection.

20 Sec. __. Section 256A.4, subsection 1, unnumbered
21 paragraph 1, Code 2003, is amended to read as follows:

22 The board of directors of each school district may
23 develop and offer a program which provides outreach
24 and incentives for the voluntary participation of
25 expectant parents and parents of children in the
26 period of life from birth through age five, who reside
27 within district boundaries, in educational family
28 support experiences designed to assist parents in
29 learning about the physical, mental, and emotional
30 development of their children. ~~A district providing a~~
31 ~~family support program, which seeks additional funding~~
32 ~~under sections 294A.13 through 294A.16, shall meet the~~
33 ~~requirements of this section and the program shall be~~
34 ~~subject to approval by the department of education.~~ A
35 board may contract with another school district or
36 public or private nonprofit agency for provision of
37 the approved program or program site.

38 Sec. 101. Section 256D.9, Code 2003, is amended to
39 read as follows:

40 256D.9 FUTURE REPEAL.

41 This chapter is repealed effective July 1, 2003
42 2004.

43 Sec. 102. Section 257.3, subsection 2, Code 2003,
44 is amended to read as follows:

45 2. TAX FOR REORGANIZED AND DISSOLVED DISTRICTS.

46 a. Notwithstanding subsection 1, a reorganized
47 school district shall cause a foundation property tax
48 of four dollars and forty cents per thousand dollars
49 of assessed valuation to be levied on all taxable
50 property which, in the year preceding a

Page 5

1 reorganization, was within a school district affected
2 by the reorganization as defined in section 275.1, or
3 in the year preceding a dissolution was a part of a
4 school district that dissolved if the dissolution
5 proposal has been approved by the director of the
6 department of education pursuant to section 275.55.
7 ~~In the year preceding the reorganization or~~
8 ~~dissolution, the school district affected by the~~
9 ~~reorganization or the school district that dissolved~~
10 ~~must have had a certified enrollment of fewer than six~~
11 ~~hundred in order for the four-dollar-and-forty-cent~~
12 ~~levy to apply.~~

13 b. In succeeding school years, the foundation
14 property tax levy on that portion shall be increased
15 to the rate of four dollars and ninety cents per
16 thousand dollars of assessed valuation the first
17 succeeding year, five dollars and fifteen cents per
18 thousand dollars of assessed valuation the second
19 succeeding year, and five dollars and forty cents per
20 thousand dollars of assessed valuation the third
21 succeeding year and each year thereafter.

22 c. The foundation property tax levy reduction
23 pursuant to this subsection shall be available if
24 either of the following apply:

25 (1) In the year preceding the reorganization or
26 dissolution, the school district affected by the
27 reorganization or the school district that dissolved
28 had a certified enrollment of fewer than six hundred
29 pupils.

30 (2) In the year preceding the reorganization or
31 dissolution, the school district affected by the
32 reorganization or the school district that dissolved
33 had a certified enrollment of six hundred pupils or
34 greater, and entered into a reorganization or
35 dissolution with one or more school districts with a
36 certified enrollment of fewer than six hundred pupils.
37 The amount of foundation property tax reduction
38 received by a school district qualifying for the
39 reduction pursuant to this subparagraph shall not
40 exceed the highest reduction amount provided in
41 paragraphs "a" and "b" received by any of the school
42 districts with a certified enrollment of fewer than
43 six hundred pupils involved in the reorganization
44 pursuant to subparagraph (1) of this paragraph "c".

45 d. For purposes of this section, a reorganized
46 school district is one which absorbs at least thirty
47 percent of the enrollment of the school district
48 affected by a reorganization or dissolved during a
49 dissolution and in which action to bring about a
50 reorganization or dissolution is initiated by a vote

Page 6

1 of the board of directors or jointly by the affected
2 boards of directors to take effect on or after July 1,
3 2002, and on or before July 1, 2006. Each district
4 which initiated, by a vote of the board of directors
5 or jointly by the affected boards, action to bring
6 about a reorganization or dissolution to take effect
7 on or after July 1, 2002, and on or before July 1,
8 2006, shall certify the date and the nature of the
9 action taken to the department of education by January
10 1 of the year in which the reorganization or
11 dissolution takes effect.

12 Sec. ____ Section 257.11, subsection 2, paragraph
13 c, subparagraph (2), Code 2003, is amended to read as
14 follows:

15 (2) A school district which was not participating
16 in a whole grade sharing arrangement during the budget
17 year beginning July 1, 2000, which executes a whole
18 grade sharing agreement pursuant to sections 282.10
19 through 282.12 for the budget year beginning July 1,
20 2002, ~~or July 1, 2003, July 1, 2004, or July 1, 2005,~~
21 and which adopts a resolution jointly with the other
22 affected boards to study the question of undergoing a
23 reorganization or dissolution to take effect on or
24 before July 1, 2006, shall receive a weighting of one-
25 tenth of the percentage of the pupil's school day
26 during which the pupil attends classes in another
27 district, attends classes taught by a teacher who is
28 jointly employed under section 280.15, or attends
29 classes taught by a teacher who is employed by another
30 school district. A district shall be eligible for
31 supplementary weighting pursuant to this subparagraph
32 for a maximum of three years. Receipt of
33 supplementary weighting for a second and third year
34 shall be conditioned upon submission of information
35 resulting from the study to the school budget review
36 committee indicating progress toward the objective of
37 reorganization on or before July 1, 2006.

38 Sec. ____ Section 258.17, subsection 4, Code 2003,
39 is amended to read as follows:

40 4. Each workstart program shall include a written
41 agreement by the school or school district with one or
42 more businesses from the surrounding community to
43 provide workplace-specific training and learning
44 programs which are related to the skills needed to
45 succeed in those occupational areas. The proposed
46 plan for implementation of the workstart program shall
47 include a copy of the written agreement between the
48 school or school district and the business or
49 businesses and a business support component, which
50 shall consist of financial or in-kind support, or both

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1 financial and in-kind support, from the businesses
2 that have entered into the agreement with the school
3 or school district. ~~The plan may provide for the~~
4 ~~utilization of phase III and other available school~~
5 ~~funds in the establishment of the program. A~~
6 ~~workstart program is a comprehensive school~~
7 ~~transformation program under section 294A.14.~~

8 Sec. ____ Section 262.9, Code 2003, is amended by
9 adding the following new subsection:

10 NEW SUBSECTION. 29. Develop a policy, not later
11 than August 1, 2003, that each institution of higher
12 education under the control of the board shall
13 approve, institute, and enforce, which prohibits
14 students, faculty, and staff from harassing or
15 intimidating a student or any other person on
16 institution property who is wearing the uniform of, or
17 a distinctive part of the uniform of, the armed forces
18 of the United States. A policy developed in
19 accordance with this subsection shall not prohibit an
20 individual from wearing such a uniform on institution
21 property if the individual is authorized to wear the
22 uniform under the laws of a state or the United
23 States. The policy shall provide for appropriate
24 sanctions.

25 Sec. ____ Section 272.2, subsection 14, paragraph
26 b, subparagraph (1), subparagraph subdivision (b),
27 Code 2003, is amended by adding the following new
28 subparagraph subdivision part:

29 NEW SUBPARAGRAPH SUBDIVISION PART. (viii) Sexual
30 exploitation by a school employee.

31 Sec. ____ Section 272.2, Code 2003, is amended by
32 adding the following new subsection:

33 NEW SUBSECTION. 17. Adopt criteria for
34 administrative endorsements that allow a person to
35 achieve the endorsement authorizing the person to
36 serve as an elementary or secondary principal without
37 regard to the grade level at which the person accrued
38 teaching experience.

39 Sec. ____ NEW SECTION. 272.15 SCHOOL REPORTING
40 REQUIREMENT.

41 The board of directors of a school district or area
42 education agency, the superintendent of a school
43 district or the chief administrator of an area
44 education agency, and the authorities in charge of a
45 nonpublic school shall report to the board the
46 nonrenewal or termination, for reasons of alleged or
47 actual misconduct, of a person's contract executed
48 under sections 279.12, 279.13, 279.15 through 279.21,
49 279.23, and 279.24, and the resignation of a person
50 who holds a license, certificate, or authorization

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1 issued by the board as a result of or following an
2 incident or allegation of misconduct that, if proven,
3 would constitute a violation of the rules adopted by
4 the board to implement section 272.2, subsection 14,
5 paragraph "b", subparagraph (1), when the board or
6 reporting official has a good faith belief that the
7 incident occurred or the allegation is true.
8 Information reported to the board in accordance with
9 this section is privileged and confidential, and,
10 except as provided in section 272.13, is not subject
11 to discovery, subpoena, or other means of legal
12 compulsion for its release to a person other than the
13 respondent and the board and its employees and agents
14 involved in licensee discipline, and is not admissible
15 in evidence in a judicial or administrative proceeding
16 other than the proceeding involving licensee
17 discipline. The board shall review the information
18 reported to determine whether a complaint should be
19 initiated. In making that determination, the board
20 shall consider the factors enumerated in section
21 272.2, subsection 14, paragraph "a". For purposes of
22 this section, unless the context otherwise requires,
23 "misconduct" means an action disqualifying an
24 applicant for a license or causing the license of a
25 person to be revoked or suspended in accordance with
26 the rules adopted by the board to implement section
27 272.2, subsection 14, paragraph "b", subparagraph
28 (1)."

29 3. Page 3, line 15, by striking the word
30 "ordinary" and inserting the following: "certified".

31 4. By striking page 10, line 10, through page 11,
32 line 1.

33 5. Page 11, by striking lines 2 through 15.

34 6. Page 11, by inserting before line 16, the
35 following:

36 "Sec. ____ Section 279.13, Code 2003, is amended
37 by adding the following new subsection:

38 NEW SUBSECTION. 4. Notwithstanding the other
39 provisions of this section, a temporary contract may
40 be issued to a teacher to fill a vacancy created by a
41 leave of absence in accordance with the provisions of
42 section 29A.28, which contract shall automatically
43 terminate upon return from military leave of the
44 former incumbent of the teaching position and which
45 contract shall not be subject to the provisions of
46 sections 279.15 through 279.19, or section 279.27. A
47 separate extracurricular contract issued pursuant to
48 section 279.19A to a person issued a temporary
49 contract under this section shall automatically
50 terminate with the termination of the temporary

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1 contract as required under section 279.19A, subsection
2 8.

3 Sec. ____ Section 279.23, Code 2003, is amended by
4 adding the following new unnumbered paragraph:
5 NEW UNNUMBERED PARAGRAPH. Notwithstanding the
6 other provisions of this section, a temporary contract
7 may be issued to an administrator to fill a vacancy
8 created by a leave of absence in accordance with the
9 provisions of section 29A.28, which contract shall
10 automatically terminate upon return from military
11 leave of the former incumbent of the administrator
12 position and which contract shall not be subject to
13 the provisions of sections 279.24 and section 279.25."

14 7. Page 12, by inserting after line 20 the
15 following:

16 "Sec. 103. Section 282.18, subsection 3, Code
17 2003, is amended to read as follows:

18 3. In all districts involved with voluntary or
19 court-ordered desegregation, minority and nonminority
20 pupil ratios shall be maintained according to the
21 desegregation plan or order. The superintendent of a
22 district subject to voluntary or court-ordered
23 desegregation may deny a request for transfer under
24 this section if the superintendent finds that
25 enrollment or release of a pupil will adversely affect
26 the district's implementation of the desegregation
27 order or plan, unless the transfer is requested by a
28 pupil whose sibling is already participating in open
29 enrollment to another district, or unless the request
30 for transfer is submitted to the district in a timely
31 manner as required under subsection 2 prior to the
32 adoption of a desegregation plan by the district. If
33 a transfer request would facilitate a voluntary or
34 court-ordered desegregation plan, the district shall
35 give priority to granting the request over other
36 requests.

37 A parent or guardian, whose request has been denied
38 because of a desegregation order or plan, may appeal
39 the decision of the superintendent to the board of the
40 district in which the request was denied. The board
41 may either uphold or overturn the superintendent's
42 decision. A decision of the board to uphold the
43 denial of the request is subject to appeal to the
44 district court in the county in which the primary
45 business office of the district is located. By July
46 1, 2004, the state board of education shall adopt
47 rules establishing guidelines and a review process for
48 school districts that adopt voluntary desegregation
49 plans. The guidelines shall include criteria and
50 standards that school districts must follow when

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1 developing a voluntary desegregation plan. The
2 department of education shall provide technical
3 assistance to a school district that is seeking to
4 adopt a voluntary desegregation plan. A school
5 district implementing a voluntary desegregation plan
6 prior to July 1, 2004, shall have until July 1, 2006,
7 to comply with guidelines adopted by the state board
8 pursuant to this section.

9 Sec. __. Section 282.18, subsection 7, Code 2003,
10 is amended to read as follows:

11 7. A pupil participating in open enrollment shall
12 be counted, for state school foundation aid purposes,
13 in the pupil's district of residence. A pupil's
14 residence, for purposes of this section, means a
15 residence under section 282.1. The board of directors
16 of the district of residence shall pay to the
17 receiving district the state cost per pupil for the
18 previous school year, plus any moneys received for the
19 pupil as a result of the non-English speaking
20 weighting under section 280.4, subsection 3, for the
21 previous school year multiplied by the state cost per
22 pupil for the previous year. ~~The district of~~
23 ~~residence shall also transmit the phase III moneys~~
24 ~~allocated to the district for the previous year for~~
25 ~~the full-time equivalent attendance of the pupil, who~~
26 ~~is the subject of the request, to the receiving~~
27 ~~district specified in the request for transfer. If~~
28 the pupil participating in open enrollment is also an
29 eligible pupil under chapter 261C, the receiving
30 district shall pay the tuition reimbursement amount to
31 an eligible postsecondary institution as provided in
32 section 261C.6."

33 8. Page 16, line 1, by striking the words
34 "teacher's supervisor" and inserting the following:
35 "teachers's supervisor and the".

36 9. Page 18, by striking lines 25 and 26 and
37 inserting the following:

38 "Sec. __. Section 284.11, subsections 1 and 6,
39 Code 2003, are amended to read as follows:

40 1. It is the intent of the general assembly to
41 create a statewide team-based variable pay program to
42 reward individual attendance centers for improvement
43 in student achievement. A pilot program is
44 established to give Iowa school districts with one or
45 more participating attendance centers the opportunity
46 to explore and demonstrate successful methods to
47 implement team-based variable pay and to compare
48 student achievement gains in school districts
49 participating in the program with gains in school
50 districts similar in nature that are not participating

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1 in the program. The department shall develop and
2 administer the pilot program and shall provide
3 technical assistance in the areas of goal setting and
4 student assessments to school districts approved to
5 participate in the pilot program. Preference shall be
6 given to school districts that were previously
7 approved to participate in a pilot program
8 administered by the department in accordance with this
9 section. Each school district approved by the
10 department to participate in the pilot program shall
11 administer valid and reliable standardized assessments
12 at the beginning and end of the school year to
13 demonstrate growth in student achievement.
14 6. A district electing to initiate a team-based
15 variable pay plan according to this section during the
16 school year beginning July 1, ~~2001~~ 2003, shall notify
17 the department of its election in writing no later
18 than August 1, ~~2001~~ 2003. The department shall
19 certify the school district plan by October 1, ~~2001~~
20 2003."

21 10. Page 18, by inserting before line 27 the
22 following:

23 "Sec. ____ Section 285.5, subsection 9, Code 2003,
24 is amended to read as follows:

25 9. All bus drivers, except substitute and part-
26 time bus drivers, for school-owned equipment shall be
27 under contract with the board. The director of the
28 department of education shall prepare a uniform
29 contract containing provision not in conflict with
30 this chapter which shall be used by all school boards
31 in contracting with drivers of school-owned vehicles."

32 11. Page 19, by inserting after line 7 the
33 following:

34 "Sec. ____ Section 294A.1, unnumbered paragraph 1,
35 Code 2003, is amended to read as follows:

36 The purpose of this chapter is to promote
37 excellence in education. In order to maintain and
38 advance the educational excellence in the state of
39 Iowa, this chapter establishes the Iowa educational
40 excellence program. The program shall consist of
41 ~~three~~ two major phases addressing the following:

42 Sec. ____ Section 294A.1, subsection 3, Code 2003,
43 is amended by striking the subsection.

44 Sec. ____ Section 294A.3, unnumbered paragraph 2,
45 Code 2003, is amended by striking the unnumbered
46 paragraph.

47 Sec. ____ Section 294A.22, unnumbered paragraph 3,
48 Code 2003, is amended to read as follows:

49 Payments made to a teacher by a school district or
50 area education agency under this chapter are wages for

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1 the purposes of chapter 91A except for payments made
2 under an approved phase III plan where a modified
3 payment plan has either been mutually agreed upon by
4 the board of directors and the certified bargaining
5 representative for certificated employees or for a
6 district that is not organized for collective
7 bargaining purposes where a modified payment plan is
8 adopted by the board."

9 12. Page 19, by striking lines 8 through 32.

10 13. Page 19, by inserting before line 33 the
11 following:

12 "Sec. ____ Section 321.375, subsection 2,
13 unnumbered paragraph 1, Code 2003, is amended to read
14 as follows:

15 Any of the following shall constitute grounds for a
16 school bus driver's immediate suspension from duties,
17 pending a termination hearing by the board of
18 directors of a public school district or the
19 authorities in charge in a nonpublic school if the bus
20 driver is under contract, pending confirmation of the
21 grounds by the school district or accredited nonpublic
22 school if the bus driver is a part-time or substitute
23 bus driver who is not under contract, or pending
24 confirmation of the grounds by the employer of the
25 school bus driver if the employer is not a school
26 district or accredited nonpublic school by the board:

27 Sec. ____ Section 321.375, subsection 2, Code
28 2003, is amended by adding the following new
29 paragraph:

30 NEW PARAGRAPH. e. A change in circumstances
31 indicating that the driver is no longer physically or
32 mentally competent. For the purpose of an insulin-
33 dependent diabetic, a change in circumstances includes
34 the following:

35 (1) Results of a glycosylated hemoglobin test
36 indicating values less than 6.0 percent or greater
37 than 9.5 percent unless accompanied by the required
38 medical opinion that the event was incidental and not
39 an indication of failure to control glucose levels.

40 (2) Results of self-monitoring indicate glucose
41 levels less than one hundred milligrams per deciliter
42 or greater than three hundred milligrams per
43 deciliter, until self-monitoring indicates compliance
44 with specifications.

45 (3) Experiencing a loss of consciousness or
46 control relating to diabetes.

47 (4) Failing to maintain or falsifying the required
48 reports.

49 Sec. ____ Section 321.375, Code 2003, is amended
50 by adding the following new subsection:

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1 NEW SUBSECTION. 3. a. Notwithstanding any
2 provision to the contrary, an insulin-dependent
3 diabetic may qualify under subsection 1, paragraph
4 "d", for purposes of operating a school bus under this
5 section if a person identified by federal or state law
6 as authorized to perform physical examinations
7 annually provides a signed statement indicating that
8 based upon an annual physical examination the
9 individual is physically able to perform the required
10 functions despite insulin dependency. The insulin-
11 dependent diabetic shall not qualify to operate a
12 school bus if, at minimum, the individual results of a
13 glycosylated hemoglobin test indicate values less than
14 6.0 percent or greater than 9.5 percent on other than
15 an incidental basis and not as a result of failure to
16 control glucose levels. The statement shall also
17 indicate that within the past three years the insulin-
18 dependent diabetic has completed instruction to
19 address diabetes management and driving safety, signs
20 and symptoms of hypoglycemia and hyperglycemia, and
21 what procedures must be followed if complications
22 arise.

23 b. A school district or authorities in charge of
24 the nonpublic school that employs or otherwise secures
25 the services of an individual with an authorization
26 who is an insulin-dependent diabetic shall monitor the
27 insulin-dependent diabetic to determine that they are
28 in compliance with all of the following:
29 (1) Self-monitoring blood glucose and
30 demonstrating conformance with requirements, more than
31 one hundred milligrams per deciliter and less than
32 three hundred milligrams per deciliter, within one
33 hour before driving a school bus and approximately
34 every four hours while on duty using a United States
35 food and drug administration approved device.

36 (2) Reporting immediately to the school district
37 or school any failure to comply with specific glucose
38 level requirements as listed in subparagraph (1) or
39 loss of consciousness or control.

40 (3) Carrying a source of readily absorbable, fast-
41 acting glucose while on duty.
42 (4) Maintaining a daily log of all glucose test
43 results for the previous six-month period and
44 providing copies to the school district or school, the
45 examining physician, and the department of education
46 upon request.

47 (5) Submitting all required department of
48 education forms within the prescribed timelines."

49 14. Page 20, by inserting after line 7 the
50 following:

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1 "Sec. ____ Section 331.909, subsection 2, Code
2 2003, is amended to read as follows:

3 2. The activities of a multidisciplinary community
4 services team shall not duplicate the activities of a
5 multidisciplinary team for child abuse under section
6 235A.13, dependent adult abuse activities under
7 section 235B.6, ~~area education agency activities under~~
8 ~~section 294A.14~~, or child victim services provided
9 under section 915.35.

10 Sec. ____ Section 614.1, subsection 12, Code 2003,
11 is amended to read as follows:

12 12. SEXUAL ABUSE OR SEXUAL EXPLOITATION BY A
13 COUNSELOR, OR THERAPIST, OR SCHOOL EMPLOYEE. An
14 action for damages for injury suffered as a result of
15 sexual abuse, as defined in section 709.1, by a
16 counselor, ~~or~~ therapist, or school employee, as
17 defined in section 709.15, or as a result of sexual
18 exploitation by a counselor, ~~or~~ therapist, or school
19 employee shall be brought within five years of the
20 date the victim was last treated by the counselor or
21 therapist, or within five years of the date the victim
22 was last enrolled in or attended the school.

23 Sec. ____ Section 692A.1, subsection 10, Code
24 2003, is amended to read as follows:

25 10. "Sexual exploitation" means sexual
26 exploitation by a counselor, ~~or~~ therapist, or school
27 employee under section 709.15.

28 Sec. ____ Section 702.11, subsection 2, paragraph
29 d, Code 2003, is amended to read as follows:

30 d. Sexual exploitation by a counselor, ~~or~~
31 therapist, or school employee in violation of section
32 709.15.

33 Sec. ____ Section 709.15, Code 2003, is amended to
34 read as follows:

35 709.15 SEXUAL EXPLOITATION BY A COUNSELOR, OR
36 THERAPIST, OR SCHOOL EMPLOYEE.

37 1. As used in this section:

38 a. "Counselor or therapist" means a physician,
39 psychologist, nurse, professional counselor, social
40 worker, marriage or family therapist, alcohol or drug
41 counselor, member of the clergy, or any other person,
42 whether or not licensed or registered by the state,
43 who provides or purports to provide mental health
44 services.

45 b. "Emotionally dependent" means that the nature
46 of the patient's or client's or former patient's or
47 client's emotional condition or the nature of the
48 treatment provided by the counselor or therapist is
49 such that the counselor or therapist knows or has
50 reason to know that the patient or client or former

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1 patient or client is significantly impaired in the
2 ability to withhold consent to sexual conduct, as
3 described in ~~paragraph "f"~~ subsection 2, by the
4 counselor or therapist.

5 For the purposes of ~~paragraph "f"~~ subsection 2, a
6 former patient or client is presumed to be emotionally
7 dependent for one year following the termination of
8 the provision of mental health services.

9 c. "Former patient or client" means a person who
10 received mental health services from the counselor or
11 therapist.

12 d. "Mental health service" means the treatment,
13 assessment, or counseling of another person for a
14 cognitive, behavioral, emotional, mental, or social
15 dysfunction, including an intrapersonal or
16 interpersonal dysfunction.

17 e. "Patient or client" means a person who receives
18 mental health services from the counselor or
19 therapist.

20 f. "School employee" means a practitioner as
21 defined in section 272.1.

22 g. "Student" means a person who is currently
23 enrolled in or attending a public or nonpublic
24 elementary or secondary school, or who was a student
25 enrolled in or attended a public or nonpublic
26 elementary or secondary school within thirty days of
27 any violation of subsection 3.

28 f. 2. "Sexual Sexual exploitation by a counse lor
29 or therapist" therapist occurs when any of the
30 following are found:

31 (1) a. A pattern or practice or scheme of conduct
32 to engage in any of the conduct described in
33 subparagraph (2) or (3) paragraph "b" or "c".

34 (2) b. Any sexual conduct, with an emotionally
35 dependent patient or client or emotionally dependent
36 former patient or client for the purpose of arousing
37 or satisfying the sexual desires of the counselor or
38 therapist or the emotionally dependent patient or
39 client or emotionally dependent former patient or
40 client, which includes but is not limited to the
41 following: kissing; touching of the clothed or
42 unclothed inner thigh, breast, groin, buttock, anus,
43 pubes, or genitals; or a sex act as defined in section
44 702.17.

45 (3) c. Any sexual conduct with a patient or client
46 or former patient or client within one year of the
47 termination of the provision of mental health services
48 by the counselor or therapist for the purpose of
49 arousing or satisfying the sexual desires of the
50 counselor or therapist or the patient or client or

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former patient or client which includes but is not limited to the following: kissing; touching of the clothed or unclothed inner thigh, breast, groin, buttock, anus, pubes, or genitals; or a sex act as defined in section 702.17.

~~"Sexual~~ Sexual exploitation by a counselor or therapist" therapist does not include touching which is part of a necessary examination or treatment provided a patient or client by a counselor or therapist acting within the scope of the practice or employment in which the counselor or therapist is engaged.

3. Sexual exploitation by a school employee occurs when any of the following are found:

a. A pattern or practice or scheme of conduct to engage in any of the conduct described in paragraph "b".

b. Any sexual conduct with a student for the purpose of arousing or satisfying the sexual desires of the school employee or the student. Sexual conduct includes but is not limited to the following:

kissing; touching of the clothed or unclothed inner thigh, breast, groin, buttock, anus, pubes, or genitals; or a sex act as defined in section 702.17.

Sexual exploitation by a school employee does not include touching that is necessary in the performance of the school employee's duties while acting within the scope of employment.

2. 4. a. A counselor or therapist who commits sexual exploitation in violation of subsection 1 2, paragraph "f" "a", subparagraph (1), commits a class "D" felony.

3. b. A counselor or therapist who commits sexual exploitation in violation of subsection 1 2, paragraph "f" "b", subparagraph (2), commits an aggravated misdemeanor.

4. c. A counselor or therapist who commits sexual exploitation in violation of subsection 1 2, paragraph "f" "c", subparagraph (3), commits a serious misdemeanor. In lieu of the sentence provided for under section 903.1, subsection 1, paragraph "b", the offender may be required to attend a sexual abuser treatment program.

5. a. A school employee who commits sexual exploitation in violation of subsection 3, paragraph "a", commits a class "D" felony.

b. A school employee who commits sexual exploitation in violation of subsection 3, paragraph "b", commits an aggravated misdemeanor.

Sec. ____ Section 802.2A, subsection 2, Code 2003,

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1 is amended to read as follows:

2 2. An indictment or information for sexual
3 exploitation by a counselor, ~~or~~ therapist, or school
4 employee under section 709.15 committed on or with a
5 person who is under the age of eighteen shall be found
6 within ten years after the person upon whom the
7 offense is committed attains eighteen years of age.
8 An information or indictment for any other sexual
9 exploitation shall be found within ten years of the
10 date the victim was last treated by the counselor or
11 therapist, or within ten years of the date the victim
12 was enrolled in or attended the school.

13 Sec. ____ Section 903B.1, subsection 4, paragraph
14 h, Code 2003, is amended to read as follows:

15 h. Sexual exploitation ~~by a counselor~~ in violation
16 of section 709.15."

17 15. Page 21, by inserting after line 25 the
18 following:

19 "Sec. 104. READING INSTRUCTION PILOT PROGRAM.

20 1. Recognizing the state's goals of assisting
21 children to grow, develop, and learn to their fullest
22 extent, empowering students in grades kindergarten
23 through eight to become good readers, and supporting
24 student achievement and overall academic performance,
25 and recognizing the importance of instructional
26 methodologies and strategies for reading, a reading
27 instruction pilot program is established. The
28 objective of the program shall be to improve student
29 reading achievement and provide interventions needed
30 to assist struggling readers by increasing teacher
31 capacity to provide reading instruction.

32 2. The program shall be established for the school
33 year beginning July 1, 2003, in a school district with
34 an enrollment of at least six hundred pupils in grades
35 kindergarten through twelve, or in two or more school
36 districts, each with enrollments of less than six
37 hundred pupils in grades kindergarten through twelve,
38 jointly participating in the program and with a
39 combined enrollment of at least six hundred pupils in
40 grades kindergarten through twelve. The program shall
41 involve the implementation of systematic intensive
42 phonics reading instruction and direct instruction for
43 students up to and including the eighth grade. The
44 program shall meet the standards set forth by the
45 United States department of education's national
46 institute for literacy, which has identified the five
47 areas of successful reading instruction as phonemic
48 awareness, phonics, fluency, vocabulary, and text
49 comprehension.

50 3. The program shall offer training and ongoing

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1 support for participating teachers and provide
2 continuous formal and informal student assessment to
3 demonstrate results. Teachers in the school district
4 or group of districts selected shall, prior to the
5 beginning of classes for the school year beginning
6 July 1, 2003, participate in an in-service training
7 program to prepare for implementation of the program.
8 The in-service training shall include education and
9 training in curriculum content and methods of
10 instruction relating to systematic intensive phonics
11 reading instruction and direct instruction, student
12 assessment procedures and techniques, and effective
13 interventions to address specific reading
14 difficulties, and shall continue on an ongoing basis
15 throughout the school year.
16 4. The program shall be administered by the
17 department of education. The department shall provide
18 notice to school districts regarding the existence of
19 the program, shall provide technical assistance
20 regarding application submission and information
21 regarding program objectives and operation, and shall
22 provide program implementation assistance to the
23 school district or group of districts selected. A
24 school district or group of districts wishing to
25 participate shall submit an application to the
26 department and the department shall, before July 1,
27 2003, select a school district or group of districts
28 for participation in the pilot program. In the
29 application the school district or group of districts
30 shall propose a districtwide plan for effective
31 reading interventions involving an approach to
32 beginning reading instruction and boosting the reading
33 levels of students using systematic intensive phonics
34 instruction and direct instruction. A school district
35 submitting an application shall also indicate a
36 willingness to provide faculty committed to
37 implementation of the program and participation in the
38 in-service training, and shall include a plan for
39 conducting pretesting and posttesting to demonstrate
40 results. The department shall select for
41 participation a school district or group of districts,
42 after consultation with the chairpersons and ranking
43 members of the senate and house standing committees on
44 education, which demonstrates an ability to implement
45 program requirements and adhere to the national
46 institute for literacy standards.
47 5. Upon completion of the pilot program, the
48 school district shall submit a report to the
49 department regarding the impact of the program on
50 student academic achievement. The department shall

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1 prepare a report summarizing these results, and
2 comparing them to student academic achievement gains
3 in similar school districts that did not participate
4 in the program. The department report shall include
5 recommendations for statewide implementation of the
6 pilot program, and shall be submitted to the
7 chairpersons and ranking members of the senate and
8 house standing committees on education by December 15,
9 2004.

10 6. The establishment of the program pursuant to
11 this section shall be contingent upon an appropriation
12 for purposes of the program for the fiscal year
13 beginning July 1, 2003, and ending June 30, 2004.
14 Funds provided to the school district or group of
15 districts selected shall be used by the district or
16 group of districts to provide stipends and travel
17 expense payments during the summer teacher in-service
18 training, ongoing training and support during the
19 school year, expense payments relating to data
20 collection, and payments for the costs of reading
21 instruction relating to the program."

22 16. Page 21, by striking line 26 and inserting
23 the following:

24 "Sec. ____ Sections 294A.12 through 294A.20, and
25 294A.23, Code 2003, are".

26 17. Page 21, by inserting after line 27 the
27 following:

28 "Sec. ____ EFFECTIVE DATES.

29 1. Section 101 of this Act, relating to the repeal
30 of chapter 256D, being deemed of immediate importance
31 takes effect upon enactment.

32 2. Section 102 of this Act, relating to school
33 reorganization incentives, being deemed of immediate
34 importance, takes effect upon enactment.

35 3. Section 104 of this Act, relating to a reading
36 instruction pilot program, being deemed of immediate
37 importance, takes effect upon enactment.

38 Sec. ____ EFFECTIVE AND RETROACTIVE APPLICABILITY

39 PROVISION. Section 103 of this Act, relating to a
40 request for open enrollment submitted to a district
41 prior to the district's adoption of a desegregation
42 plan, being deemed of immediate importance, takes
43 effect upon enactment and applies retroactively to
44 July 1, 2002, for open enrollment transfer requests
45 received by a school district on or after July 1,
46 2002."

47 18. Title page, by striking line 2, and inserting
48 the following: "education, the board of educational
49 examiners, the state board of regents and its
50 universities, and school boards, and to property tax

Page 20

- 1 school reorganization incentives; requiring the
- 2 establishment of a reading instruction pilot program;
- 3 and including effective and retroactive applicability
- 4 date provisions."
- 5 19. By renumbering, redesignating, and correcting
- 6 internal references as necessary.

Wise of Lee offered the following amendment H-1603, to the Senate amendment H-1578, filed by him from the floor and moved its adoption:

H-1603

- 1 Amend the Senate amendment, H-1578, to House File
- 2 549, as amended, passed, and reprinted by the House,
- 3 as follows:
- 4 1. Page 11, by striking line 24 and inserting the
- 5 following: "is amended by striking the subsection."
- 6 2. Page 11, by striking lines 25 through 31.
- 7 3. Page 12, by striking lines 20 through 26 and
- 8 inserting the following: "driver is employed by the
- 9 school district or accredited nonpublic school, or
- 10 pending confirmation of the carrier who employs the
- 11 bus driver and who provides transportation under a
- 12 contract with the public school under section 285.5."

Amendment H-1603 lost.

Gipp of Winneshiek asked and received unanimous consent that House File 549 be deferred and that the bill retain its place on the calendar. (Senate amendment H-1578 pending)

IMMEDIATE MESSAGES

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: **House Files 543, 595 and 685.**

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 674, a bill for an act relating to income tax deductions and exemptions for military service personnel and organizations, and including effective and applicability date provisions.

Also: That the Senate has on May, 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 676, a bill for an act establishing a veterans trust fund under the control of the commission of veterans affairs and providing a contingent appropriation.

Also: That the Senate has on May 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 689, a bill for an act relating to ethanol blended gasoline, by providing for tax credits and for their retroactive applicability, providing for refunds, and providing for an effective date.

MICHAEL E. MARSHALL, Secretary

Appropriations Calendar

House File 699, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date, was taken up for consideration.

SENATE FILE 459 SUBSTITUTED FOR HOUSE FILE 699

Horbach of Tama asked and received unanimous consent to substitute Senate File 459 for House File 699.

Senate File 459, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date, was taken up for consideration.

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

On the question "Shall the bill pass?" (S.F. 459)

The ayes were, 96:

Alons
Berry

Arnold
Boal

Baudler
Boddicker

Bell
Boggess

| | | | |
|------------|------------------|------------------|----------------------|
| Carroll | Chambers | Cohoon | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Eichhorn | Elgin |
| Fallon | Foege | Ford | Freeman |
| Frevert | Gaskill | Gipp | Granzow |
| Greimann | Greiner | Hahn | Hansen |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Mascher | McCarthy |
| Mertz | Miller | Murphy | Myers |
| Oldson | Olson, D. | Osterhaus | Paulsen |
| Petersen | Quirk | Raecker | Rants, Spkr. |
| Rasmussen | Rayhons | Reasoner | Roberts |
| Sands | Schickel | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Taylor, T. | Thomas | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. |
| Watts | Wendt | Whitaker | Whitead |
| Wilderdyke | Winckler | Wise | Jacobs, Presiding |

The nays were, none.

Absent or not voting, 3:

Bukta Connors Manternach

Under the provision of Rule 76, conflict of interest, S. Olson of Clinton refrained from voting.

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

HOUSE FILE 699 WITHDRAWN

Horbach of Tama asked and received unanimous consent to withdraw House File 699 from further consideration by the House.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that Senate File 459 be immediately messaged to the Senate.

ADOPTION OF HOUSE CONCURRENT RESOLUTION 21

Lukan of Dubuque called up for consideration **House Concurrent Resolution 21**, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs, and moved its adoption.

The motion prevailed and the resolution was adopted.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House Concurrent Resolution 21** be immediately messaged to the Senate.

The House resumed consideration of the Senate amendment H-1578 to **House File 549**, previously deferred and found on pages 1762 through 1782 of the House Journal.

Winckler of Scott asked and received unanimous consent to withdraw amendment H-1611, to the Senate amendment H-1578, filed by her from the floor.

Chambers of O'Brien moved that the House concur in the Senate amendment H-1578.

A non-record roll call was requested.

The ayes were 47, nays 38.

The House concurred and Senate amendment H-1578 was adopted.

Chambers of O'Brien moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 549)

The ayes were, 97:

Alons.
Berry

Arnold
Boal

Baudler
Boddicker

Bell
Boggess

| | | | |
|----------------------|------------|------------------|------------------|
| Carroll | Chambers | Cohoon | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Eichhorn | Elgin |
| Fallon | Foege | Ford | Freeman |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Miller | Murphy | Myers |
| Oldson | Olson, D. | Olson, S. | Osterhaus |
| Paulsen | Petersen | Quirk | Raecker |
| Rants, Spkr. | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wendt | Whitaker |
| Whitead | Wilderdyke | Winckler | Wise |
| Jacobs, Presiding | | | |

The nays were, 1:

Frevert

Absent or not voting, 2:

Bukta

Connors

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

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, adopted the following resolution in which the concurrence of the House is asked:

Senate Concurrent Resolution 17, a concurrent resolution supporting the widening, improvement, and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance.

Also: That the Senate has on May 1, 2003, adopted the following resolution in which the concurrence of the House is asked:

Senate Concurrent Resolution 19, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

Also: That the Senate has on May 1, 2003, adopted the following resolution in which the concurrence of the House is asked:

Senate Concurrent Resolution 20, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 549** be immediately messaged to the Senate.

Ways and Means Calendar

Senate File 441, a bill for an act relating to the transfer of certain property-related tax credits and including effective and retroactive applicability date provisions, with report of committee recommending passage, was taken up for consideration.

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

On the question "Shall the bill pass?" (S.F. 441)

The ayes were, 98:

| | | | |
|------------|----------|------------|-----------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Bogges |
| Carroll | Chambers | Cohoon | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Eichhorn | Elgin |
| Fallon | Foege | Ford | Freeman |
| Frevert | Gaskill | Gipp | Granzow |
| Greimann | Greiner | Hahn | Hansen |
| Hanson | Heaton | Heddens | Hoffman |
| Hogg | Horbach | Hunter | Huseman |
| Huser | Hutter | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |
| Osterhaus | Paulsen | Petersen | Quirk |

| | | | |
|------------------|----------------------|------------|------------------|
| Raecker | Rants, Spkr. | Rasmussen | Rayhons |
| Reasoner | Roberts | Sands | Schickel |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Tjepkes | Tymeson | Upmeyer | Van Engelenhoven |
| Van Fossen, J.K. | Van Fossen, J.R. | Watts | Wendt |
| Whitaker | Whitead | Wilderdyke | Winckler |
| Wise | Jacobs, Presiding | | |

The nays were, none.

Absent or not voting, 2:

Bukta

Connors

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 441** be immediately messaged to the Senate.

Speaker Rants in the chair at 5:59 p.m.

ADOPTION OF HOUSE RESOLUTION 61

Heaton of Henry called up for consideration **House Resolution 61**, a resolution relating to the shortage of nursing home administrators and requesting the State Board of Examiners for Nursing Home Administrators to make recommendations for addressing the shortage, and moved its adoption.

The motion prevailed and the resolution was adopted.

MOTION TO RECONSIDER PREVAILED

Gipp of Winneshiek called up for consideration the motion to reconsider **House File 701**, filed on April 30, 2003, and moved to reconsider the vote by which House File 701, a bill for an act relating to the individual income tax by reducing the tax rates and number of tax brackets and including a contingent effective and applicability date provision, failed to pass the House on April 30, 2003.

The motion prevailed and the House reconsidered House File 701.

J.K. Van Fossen of Scott moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 701)

The ayes were, 51:

| | | | |
|------------|------------------|------------------|------------------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Boggess | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Horbach | Huseman | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lukan | Maddox | Manternach |
| Olson, S. | Raecker | Rasmussen | Roberts |
| Sands | Schickel | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. |
| Watts | Wilderdyke | Mr. Speaker | |
| | | Rants | |

The nays were, 47:

| | | | |
|------------|----------|----------|------------|
| Bell | Berry | Cohoon | Dandekar |
| Davitt | Fallon | Foege | Ford |
| Frevert | Gaskill | Greimann | Heddens |
| Hogg | Hunter | Huser | Jochum |
| Kuhn | Lalk | Lensing | Lykam |
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Osterhaus | Paulsen | Petersen | Quirk |
| Rayhons | Reasoner | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Taylor, T. | Thomas | Wendt | Whitaker |
| Whitead | Winckler | Wise | |

Absent or not voting, 2:

| | |
|-------|---------|
| Bukta | Connors |
|-------|---------|

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 701** be immediately messaged to the Senate.

MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, amended the House amendment, concurred in the House amendment as amended, and passed the following bill in which the concurrence of the House is asked:

Senate File 452, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

MICHAEL E. MARSHALL, Secretary

The House stood at ease at 6:14 p.m., until the fall of the gavel.

The House resumed session at 7:15 p.m., Speaker Rants in the chair.

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed eighty-four members present, sixteen absent.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, passed the following bill in which the concurrence of the House is asked:

Senate File 458, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates.

Also: That the Senate has on May 1, 2003, adopted the following resolution in which the concurrence of the House is asked:

Senate Concurrent Resolution 21, a senate concurrent resolution to provide for adjournment sine die.

MICHAEL E. MARSHALL, Secretary

SENATE AMENDMENT CONSIDERED

Huseman of Cherokee called up for consideration **Senate File 452**, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees, amended by the House, further amended by the Senate and moved that the House concur in the following Senate amendment H-1613 to the House amendment:

H-1613

- 1 Amend the House amendment, S-3347, to Senate File
- 2 452, as amended, passed, and reprinted by the Senate,
- 3 as follows:
- 4 1. Page 1, by striking lines 45 and 46.
- 5 2. Page 2, by striking line 8 and inserting the
- 6 following:
- 7 " \$ 350,000
- 8 3. Page 2, by striking lines 9 through 35.

The motion prevailed and the House concurred in the Senate amendment H-1613, to the House amendment.

Huseman of Cherokee moved that the bill, as amended by the House, further amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (S.F. 452)

The ayes were, 97:

| | | | |
|-----------|----------|-----------|----------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Boggess |
| Carroll | Chambers | Cohoon | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Eichhorn | Elgin |
| Foege | Ford | Freeman | Frevort |
| Gaskill | Gipp | Granzow | Greimann |

| | | | |
|------------------|------------|------------------|------------------|
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Hunter | Huseman | Huser |
| Hutter | Jacobs | Jenkins | Jochum |
| Jones | Klemme | Kramer | Kuhn |
| Kurtenbach | Lalk | Lensing | Lukan |
| Lykam | Maddox | Manternach | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Olson, S. |
| Osterhaus | Paulsen | Petersen | Quirk |
| Raecker | Rasmussen | Rayhons | Reasoner |
| Roberts | Sands | Schickel | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wendt | Whitaker |
| Whitead | Wilderdyke | Winckler | Wise |
| Mr. Speaker | | | |
| Rants | | | |

The nays were, 1:

Fallon

Absent or not voting, 2:

Bukta

Connors

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 452** be immediately messaged to the Senate.

SENATE MESSAGE CONSIDERED

Senate File 458, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, modifying sales and use taxes, modifying the investment tax credits and premium taxes on mutual insurance associations, providing for related matters, making penalties applicable, and providing effective dates.

Read first time and **passed on file**.

The House resumed consideration of **House File 700**, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates, previously deferred and found on pages 1694 through 1757 of the House Journal.

Dix of Butler offered the following amendment H-1612 filed by him from the floor and moved its adoption:

H-1612

1 Amend House File 700 as follows:

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

4 "DIVISION I

5 MH/MR/DD ALLOWED GROWTH

6 Section 1. Section 426B.5, subsection 2, paragraph
7 d, subparagraphs (1) and (6), Code 2003, are amended
8 to read as follows:

9 (1) A county must apply to the board for
10 assistance from the risk pool on or before ~~April 1~~
11 January 25 to cover an unanticipated net expenditure
12 amount in excess of the county's current fiscal year
13 budgeted net expenditure amount for the county's
14 services fund. The risk pool board shall make its
15 final decisions on or before February 25 regarding
16 acceptance or rejection of the applications for
17 assistance and the total amount accepted shall be
18 considered obligated. For purposes of applying for
19 risk pool assistance and for repaying unused risk pool
20 assistance, the current fiscal year budgeted net
21 expenditure amount shall be deemed to be the higher of
22 either the budgeted net expenditure amount in the
23 management plan approved under section 331.439 for the
24 fiscal year in which the application is made or the
25 prior fiscal year's net expenditure amount.

26 (6) The total amount of risk pool assistance shall
27 be limited to the amount available in the risk pool
28 for a fiscal year. If the total amount of eligible
29 assistance exceeds the amount available in the risk
30 pool the amount of assistance paid shall be prorated
31 among the counties eligible for assistance. Moneys
32 remaining unexpended or unobligated in the risk pool
33 ~~at the close of a fiscal year shall remain available~~
34 ~~for distribution in the succeeding fiscal year~~
35 following the risk pool board's decisions made
36 pursuant to subparagraph (1) shall be distributed to
37 the counties eligible to receive funding from the

38 allowed growth factor adjustment appropriation for the
 39 fiscal year using the distribution methodology
 40 applicable to that appropriation.
 41 Sec. 2. COUNTY MENTAL HEALTH, MENTAL RETARDATION,
 42 AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR
 43 ADJUSTMENT AND ALLOCATIONS – FISCAL YEAR 2004-2005.
 44 1. There is appropriated from the general fund of
 45 the state to the department of human services for the
 46 fiscal year beginning July 1, 2004, and ending June
 47 30, 2005, the following amount, or so much thereof as
 48 is necessary, to be used for the purpose designated:
 49 For distribution to counties of the county mental
 50 health, mental retardation, and developmental

Page 2

1 disabilities allowed growth factor adjustment, as
 2 provided in this section in lieu of the provisions of
 3 section 331.438, subsection 2, and section 331.439,
 4 subsection 3, and chapter 426B:
 5 \$ 23,738,749
 6 2. The funding appropriated in this section is the
 7 allowed growth factor adjustment for fiscal year 2004-
 8 2005, and is allocated as follows:
 9 a. For distribution as provided by law:
 10 \$ 21,738,749
 11 b. For deposit in the risk pool created in the
 12 property tax relief fund and for distribution in
 13 accordance with section 426B.5, subsection 2:
 14 \$ 2,000,000
 15 Sec. 3. 2002 Iowa Acts, chapter 1175, section 104,
 16 subsections 2, 4 and 5, as amended by 2003 Iowa Acts,
 17 House File 667, section 41, are amended to read as
 18 follows:
 19 2. The following formula amounts shall be utilized
 20 only to calculate preliminary distribution amounts for
 21 fiscal year 2003-2004 under this section by applying
 22 the indicated formula provisions to the formula
 23 amounts and producing a preliminary distribution total
 24 for each county:
 25 a. For calculation of an allowed growth factor
 26 adjustment amount for each county in accordance with
 27 the formula in section 331.438, subsection 2,
 28 paragraph "b":
 29 \$ 12,000,000
 30 b. For calculation of a distribution amount for
 31 eligible counties from the per capita expenditure
 32 target pool created in the property tax relief fund in
 33 accordance with the requirements in section 426B.5,
 34 subsection 1:
 35 \$ 12,492,712
 36 14,492,000

37 c. For calculation of a distribution amount for
38 counties from the mental health and developmental
39 disabilities (MH/DD) community services fund in
40 accordance with the formula provided in the
41 appropriation made for the MH/DD community services
42 fund for the fiscal year beginning July 1, 2003:
43 \$ 17,727,890
44 4. After applying the applicable statutory
45 distribution formulas to the amounts indicated in
46 subsection 2 for purposes to produce preliminary
47 distribution totals, the department of human services
48 shall apply a withholding factor to adjust an eligible
49 individual county's preliminary distribution total.
50 An ending balance percentage for each county shall be

Page 3

1 determined by expressing the county's ending balance
2 on a modified accrual basis under generally accepted
3 accounting principles for the fiscal year beginning
4 July 1, 2002, in the county's mental health, mental
5 retardation, and developmental disabilities services
6 fund created under section 331.424A, as a percentage
7 of the county's gross expenditures from that fund for
8 that fiscal year. The withholding factor for a county
9 shall be the following applicable percent:
10 a. For an ending balance percentage of less than
11 10 percent, a withholding factor of 0 percent. In
12 addition to the county's adjusted distribution total,
13 a county that is subject to this paragraph "a" shall
14 receive an inflation adjustment equal to 2.6 percent
15 of the gross expenditures reported for the county's
16 services fund for that fiscal year.
17 b. For an ending balance percentage of 10 through
18 24 percent, a withholding factor of 25 percent.
19 c. For an ending balance percentage of 25 through
20 34 percent, a withholding factor of 60 percent.
21 ~~d. For an ending balance percentage of 35 through~~
22 ~~44 percent, a withholding factor of 85 percent.~~
23 e. ~~d.~~ For an ending balance percentage of ~~45~~ 35
24 percent or more, a withholding factor of 100 percent.
25 5. The total withholding amounts applied pursuant
26 to subsection 4 shall be equal to a withholding target
27 amount of \$7,419,074 and the appropriation enacted by
28 the Eightieth General Assembly, 2003 Session, for the
29 MH/DD community services fund shall be reduced by the
30 amount necessary to attain the withholding target
31 amount \$9,418,362. If the department of human
32 services determines that the amount to be withheld in
33 accordance with subsection 4 is not equal to the
34 target withholding amount, the department shall adjust
35 the withholding factors listed in subsection 4 as

36 necessary to achieve the withholding target amount.
37 However, in making such adjustments to the withholding
38 factors, the department shall strive to minimize
39 changes to the withholding factors for those ending
40 balance percentage ranges that are lower than others
41 and shall not adjust the zero withholding factor or
42 the inflation adjustment percentage specified in
43 subsection 4, paragraph "a".

44 DIVISION II

45 STANDING APPROPRIATIONS – REDUCTIONS

46 Sec. 4. GENERAL ASSEMBLY. The appropriations made
47 pursuant to section 2.12 for the expenses of the
48 general assembly and legislative agencies for the
49 fiscal year beginning July 1, 2003, and ending June
50 30, 2004, are reduced by the following amount:

Page 4

1 \$ 2,000,000

2 Sec. 5. REBUILD IOWA INFRASTRUCTURE FUND.

3 Notwithstanding section 8.56, subsection 4, there is
4 appropriated from the cash reserve fund to the rebuild
5 Iowa infrastructure fund created in section 8.57 for
6 the fiscal year beginning July 1, 2002, and ending
7 June 30, 2003, the following amount:

8 \$ 2,150,000

9 Sec. 6. ENVIRONMENT FIRST FUND. Notwithstanding

10 the amount of the standing appropriation from the
11 rebuild Iowa infrastructure fund under section 8.57A,
12 subsection 4, there is appropriated from the rebuild
13 Iowa infrastructure fund to the environment first
14 fund, in lieu of the appropriation made in section
15 8.57A, for the fiscal year beginning July 1, 2002, and
16 ending June 30, 2003, the following amount:

17 \$ 18,445,000

18 Sec. 7. AT-RISK CHILDREN PROGRAMS.

19 Notwithstanding the standing appropriation in section
20 279.51, subsection 1, the amount appropriated from the
21 general fund of the state under section 279.51,
22 subsection 1, to the department of education for the
23 fiscal year beginning July 1, 2003, and ending June
24 30, 2004, is reduced by the following amount:

25 \$ 1,000,000

26 The amount of the reduction in this section shall
27 be prorated among the programs specified in section
28 279.51, subsection 1, paragraphs "a", "b", and "c".

29 Sec. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.

30 Notwithstanding section 312.2, subsection 14, the
31 amount appropriated from the general fund of the state
32 under section 312.2, subsection 14, to the state
33 department of transportation for public transit
34 assistance under chapter 324A for the fiscal year

beginning July 1, 2003, and ending June 30, 2004, is reduced by the following amount:

\$ 1,298,675

Sec. 9. Section 294A.25, subsection 1, Code 2003, is amended to read as follows:

1. For the fiscal year beginning July 1, 2000 ~~2003~~, and for each succeeding year, there is appropriated from the general fund of the state to the department of education the amount of ~~eighty~~ fifty-six million eight hundred ninety-one thousand three hundred thirty-six dollars to be used to improve teacher salaries. The moneys shall be distributed as provided in this section.

Sec. 10. EFFECTIVE DATE. The sections of this division of this Act relating to the appropriations made to the rebuild Iowa infrastructure fund and

Page 5

environment first fund for the fiscal year beginning July 1, 2002, being deemed of immediate importance, take effect upon enactment.

DIVISION III

STANDING APPROPRIATIONS – LIMITATIONS

Sec. 11. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the amounts appropriated from the general fund of the state pursuant to those sections for the following designated purposes shall not exceed the following amounts:

1. For compensation of officers and enlisted persons and their expenses while on state active duty as authorized in section 29A.27:

\$ 432,450

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

\$ 7,799,550

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

3. For printing cigarette tax stamps under section 453A.7:

\$ 110,055

4. For the state's share of the cost of the peace officers' retirement benefits under section 411.20:

\$ 2,816,189

5. For payment of livestock production credit refunds under section 422.121:

\$ 1,815,735

| | | |
|----|--|----------------|
| 34 | 6. For reimbursement for the homestead property | |
| 35 | tax credit under section 425.1: | |
| 36 | ..... | \$ 105,585,004 |
| 37 | 7. For reimbursement for the agricultural land and | |
| 38 | family farm tax credits under section 426.1: | |
| 39 | ..... | \$ 35,497,624 |
| 40 | 8. For reimbursement for the military service tax | |
| 41 | credit under section 426A.1A: | |
| 42 | ..... | \$ 2,569,712 |
| 43 | 9. For administration expenses of the state | |
| 44 | unemployment compensation law under chapter 96: | |
| 45 | ..... | \$ 450,000 |
| 46 | 10. For payment of certain interest costs due the | |
| 47 | federal government under the federal Cash Management | |
| 48 | and Improvement Act under section 421.31: | |
| 49 | ..... | \$ 550,000 |
| 50 | 11. For funding the state's deferred compensation | |

Page 6

1 program established for state employees under section
2 509A.12:
3 \$ 56,501
4 Sec. 12. ELDERLY AND DISABLED CREDIT.
5 Notwithstanding the standing appropriation in section
6 425.39, the amount appropriated from the general fund
7 of the state under section 425.39, for the fiscal year
8 beginning July 1, 2003, and ending June 30, 2004, for
9 purposes of implementing the elderly and disabled
10 credit and reimbursement portion of the extraordinary
11 property tax and reimbursement division of chapter
12 425, shall not exceed \$16,651,800. The director shall
13 pay, in full, all claims to be paid during the fiscal
14 year beginning July 1, 2003, for reimbursement of rent
15 constituting property taxes paid. If the amount of
16 claims for credit for property taxes due to be paid
17 during the fiscal year beginning July 1, 2003, exceeds
18 the amount remaining after payment to renters, the
19 director of revenue and finance shall prorate the
20 payments to the counties for the property tax credit.
21 In order for the director to carry out the
22 requirements of this section, notwithstanding any
23 provision to the contrary in sections 425.16 through
24 425.39, claims for reimbursement for rent constituting
25 property taxes paid filed before May 1, 2004, shall be
26 eligible to be paid in full during the fiscal year
27 ending June 30, 2004, and those claims filed on or
28 after May 1, 2004, shall be eligible to be paid during
29 the fiscal year beginning July 1, 2004, and the
30 director is not required to make payments to counties
31 for the property tax credit before June 15, 2004.
32 Sec. 13. REDUCTION IN CREDITS NOT APPLICABLE. The

33 provision in section 25B.7 relating to the proration
34 of the property tax credits does not apply with
35 respect to the amount of state reimbursement for
36 property tax credits under this division.

37 DIVISION IV

38 REVENUE ADJUSTMENTS – APPROPRIATIONS

39 Sec. 14. IOWA ECONOMIC EMERGENCY AND RESERVE FUNDS

40 – EARNINGS. Notwithstanding section 8.55, subsection

41 4, and section 8.56, subsection 1, for the fiscal year
42 beginning July 1, 2003, and ending June 30, 2004, the
43 interest and earnings on moneys deposited in the Iowa
44 economic emergency fund and the cash reserve fund
45 shall be credited to the general fund of the state.

46 Sec. 15. USE OF REVERSIONS. Notwithstanding

47 section 8.62, if on June 30, 2004, a balance of an
48 operational appropriation, as defined in section 8.62,
49 except for the balances of charter agencies, as
50 defined in section 7J.1, if enacted by 2003 Iowa Acts,

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1 Senate File 453, remains unexpended or unencumbered,
2 the balance shall revert to the general fund of the
3 state as provided in section 8.33.

4 Sec. 16. KEEP IOWA BEAUTIFUL FUND. For the fiscal
5 years beginning July 1, 2002, and July 1, 2003, moneys
6 credited to the keep Iowa beautiful fund in accordance
7 with section 422.12A are appropriated to the state
8 department of transportation to be used for the
9 purposes provided in section 314.28.

10 Sec. 17. ENDOWMENT FOR IOWA'S HEALTH. For the
11 fiscal year beginning July 1, 2003, and ending June
12 30, 2004, of the \$70,000,000 to be deposited in the
13 endowment for Iowa's health account of the tobacco
14 settlement trust fund under 2001 Iowa Acts, chapter
15 174, section 1, subsection 1, the following amount
16 shall instead be deposited in the general fund of the
17 state:

18 \$ 20,000,000

19 Sec. 18. JUNIOR OLYMPICS. There is appropriated
20 from the general fund of the state to the department
21 of economic development for the fiscal year beginning
22 July 1, 2003, and ending June 30, 2004, the following
23 amount, or so much thereof as is necessary, to be used
24 for the purpose designated:

25 For providing assistance to a city or nonprofit
26 organization hosting the national junior olympics:

27 \$ 50,000

28 Sec. 19. REBUILD IOWA INFRASTRUCTURE FUND.

29 Notwithstanding section 8.57, subsection 5, there is
30 appropriated from the rebuild Iowa infrastructure fund
31 created in section 8.57, subsection 5, to the general

32 fund of the state during the fiscal year beginning
 33 July 1, 2003, and ending June 30, 2004, the following
 34 amount:
 35 \$ 10,000,000
 36 Sec. 20. IOWA LAW ENFORCEMENT ACADEMY. 2003 Iowa
 37 Acts, Senate File 439, section 10, subsection 1,
 38 unnumbered paragraph 2, if enacted, is amended to read
 39 as follows:
 40 For salaries, support, maintenance, miscellaneous
 41 purposes, including jailer training and technical
 42 assistance, and for not more than the following full-
 43 time equivalent positions:
 44 \$ 1,002,629
 45 1,047,629
 46 FTEs 30.05
 47 Sec. 21. MILITARY PAY DIFFERENTIAL. There is
 48 appropriated from the cash reserve fund to the
 49 department of revenue and finance or its successor
 50 agency for the period beginning March 19, 2003, and

Page 8

1 ending June 30, 2003, the following amount, or so much
 2 thereof as is necessary, for the purposes designated:
 3 For a military pay differential program and health
 4 insurance retention program for individuals activated
 5 for the armed services of the United States, for
 6 employees on the central payroll system:
 7 \$ 1,810,000
 8 Of the funds appropriated in this section, up to
 9 \$10,000 is transferred to the Iowa department of
 10 public health for allocation to community mental
 11 health centers to provide counseling services to
 12 persons who are members of the national guard and
 13 reservists activated but as yet not sent to combat
 14 zones and to the persons' family members. The
 15 sessions shall be provided on a first come, first
 16 served basis and shall be limited to three visits per
 17 family.
 18 The department or agency receiving funds under this
 19 section shall report monthly to the fiscal committee
 20 of the legislative council on the use of the funds.
 21 Notwithstanding section 8.33, unencumbered or
 22 unobligated funds remaining on June 30, 2003, from the
 23 appropriation made in this section shall not revert
 24 but shall remain available to be used for the purposes
 25 designated in the following fiscal year.
 26 Sec. 22. ASSISTED LIVING PROGRAMS.
 27 Notwithstanding section 231C.6, any fees remaining on
 28 June 30, 2003, in the assisted living program fund
 29 created pursuant to section 231C.6 are appropriated to
 30 the department of inspections and appeals for the

31 fiscal year beginning July 1, 2003, and ending June
32 30, 2004, to carry out the purposes of chapter 231C.

33 Sec. 23. COUNTY HOSPITALS. There is appropriated
34 from the general fund of the state to the department
35 of human services for the fiscal year beginning July
36 1, 2003, and ending June 30, 2004, the following
37 amount, or so much thereof as is necessary, for the
38 purpose designated:

39 For support of operational expenses of county
40 hospitals in counties having a population of two
41 hundred twenty-five thousand or more:

42 \$ 312,000

43 Sec. 24. WORKFORCE DEVELOPMENT. There is
44 appropriated from the general fund of the state to the
45 Iowa department of workforce development for the
46 fiscal year beginning July 1, 2003, and ending June
47 30, 2004, the following amount, or so much thereof as
48 is necessary, for the purpose designated:

49 For salaries and support and for the following
50 full-time equivalent positions.

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1 \$ 250,000

2 FTEs 5.00

3 The appropriation in this section shall be used for
4 four OSHA inspectors and one workers' compensation
5 compliance officer. The appropriation in this section
6 is contingent upon the enactment of 2003 Iowa Acts,
7 Senate File 344, by the Eightieth General Assembly,
8 2003 Regular Session.

9 Sec. 25. UNEMPLOYMENT TRUST FUND. There is
10 appropriated from moneys transferred to the state on
11 March 13, 2002, pursuant to section 903(d) of the
12 federal Social Security Act, as amended, to the
13 department of workforce development, the following
14 amount, to be deposited, under the direction of the
15 department of workforce development, in the
16 unemployment compensation fund for the payment of
17 unemployment benefits and for the establishment of the
18 unemployment compensation reserve fund:

19 \$ 40,000,000

20 Sec. 26. UNEMPLOYMENT TAX AND CLAIM SYSTEM. There
21 is appropriated from moneys transferred to the state
22 on March 13, 2002, pursuant to section 903(d) of the
23 federal Social Security Act, as amended, to the
24 department of workforce development, the following
25 amount for purposes of automation and technology for
26 the unemployment tax and claim system:

27 \$ 20,000,000

28 Sec. 27. ENHANCED SERVICES TO CLAIMANTS. There is
29 appropriated from moneys transferred to the state on

30 March 13, 2002, pursuant to section 903(d) of the
31 federal Social Security Act, as amended, to the
32 department of workforce development the following
33 amount for purposes of infrastructure improvements and
34 the administrative and technology costs associated
35 with enhanced services to unemployment benefit
36 claimants for workforce and labor exchange services:
37 \$ 20,700,000

38 Sec. 28. FEDERAL FISCAL RELIEF FUNDING. If the
39 one hundred eighth United States Congress enacts an
40 economic stimulus package that includes the provision
41 of discretionary funding to the state to provide state
42 or local government fiscal relief, the funding shall
43 be deposited in the fund created by section 8.41.

44 Sec. 29. Section 8.55, subsection 2, paragraph c,
45 Code 2003, is amended to read as follows:

46 c. Notwithstanding paragraph "a", any moneys in
47 excess of the maximum balance in the economic
48 emergency fund after the distribution of the surplus
49 in the general fund of the state at the conclusion of
50 each fiscal year and after the appropriate amount has

Page 10

1 been transferred pursuant to paragraph "b", shall not
2 be transferred to the general fund of the state but
3 shall be transferred to the senior living trust fund.
4 The total amount transferred, in the aggregate, under
5 this paragraph for all fiscal years shall not exceed
6 fifty-one one hundred eighteen million five hundred
7 thousand dollars.

8 Sec. 30. Section 8.55, subsection 2, paragraph d,
9 Code 2003, is amended to read as follows:

10 d. Notwithstanding paragraph "a", any moneys in
11 excess of the maximum balance in the economic
12 emergency fund after the distribution of the surplus
13 in the general fund of the state at the conclusion of
14 each fiscal year and after the appropriate amounts
15 have been transferred pursuant to paragraphs "b" and
16 "c" shall not be transferred to the general fund of
17 the state but shall be transferred to the endowment
18 for Iowa's health account of the tobacco settlement
19 trust fund. The total amount transferred, in the
20 aggregate, under this paragraph for all fiscal years
21 shall not exceed the difference between sixty one
22 hundred one million five seven hundred fifty-one
23 thousand dollars and the amounts transferred to the
24 endowment for Iowa's health account to repay the
25 amounts transferred or appropriated from the endowment
26 for Iowa's health account in 2002 Iowa Acts, chapter
27 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts,
28 chapter 1167, and 2002 Iowa Acts, Second Extraordinary

29 Session, chapter 1003, and 2003 Iowa Acts, House File
30 685.

31 Sec. 31. Section 8.57, subsection 1, paragraph a,
32 unnumbered paragraph 1, Code Supplement 2001, as
33 enacted by 2002 Iowa Acts, Second Extraordinary
34 Session, chapter 1001, section 28, is amended to read
35 as follows:

36 The "cash reserve goal percentage" for fiscal years
37 beginning on or after July 1, 2003 2004, is seven and
38 one-half percent of the adjusted revenue estimate.
39 For each fiscal year ~~beginning on or after July 1,~~
40 2003, in which the appropriation of the surplus
41 existing in the general fund of the state at the
42 conclusion of the prior fiscal year pursuant to
43 paragraph "b" was not sufficient for the cash reserve
44 fund to reach the cash reserve goal percentage for the
45 current fiscal year, there is appropriated from the
46 general fund of the state an amount to be determined
47 as follows:

48 Sec. 32. Section 96.9, Code 2003, is amended by
49 adding the following new subsection:

50 NEW SUBSECTION. 8. UNEMPLOYMENT COMPENSATION

Page 11

1 RESERVE FUND.

2 a. A special fund to be known as the unemployment
3 compensation reserve fund is created in the state
4 treasury. The reserve fund is separate and distinct
5 from the unemployment compensation fund. All moneys
6 collected as reserve contributions, as defined in
7 paragraph "b", shall be deposited in the reserve fund.
8 The moneys in the reserve fund may be used for the
9 payment of unemployment benefits and shall remain
10 available for expenditure in accordance with the
11 provisions of this subsection. The treasurer of state
12 shall be the custodian of the reserve fund and shall
13 disburse the moneys in the reserve fund in accordance
14 with this subsection and the directions of the
15 director of the department of workforce development.

16 b. If the balance in the reserve fund on July 1 of
17 the preceding calendar year for calendar year 2004 and
18 each year thereafter is less than one hundred fifty
19 million dollars, a percentage of contributions, as
20 determined by the director, shall be deemed to be
21 reserve contributions for the following calendar year.
22 If the percentage of contributions, termed the reserve
23 contribution tax rate, is not zero percent as
24 determined pursuant to this subsection, the combined
25 tax rate of contributions to the unemployment
26 compensation fund and to the unemployment compensation
27 reserve fund shall be divided so that a minimum of

28 fifty percent of the combined tax rate equals the
29 unemployment contribution tax rate and a maximum of
30 fifty percent of the combined tax rate equals the
31 reserve contribution tax rate except for employers who
32 are assigned a combined tax rate of five and four-
33 tenths. For those employers, the reserve contribution
34 tax rate shall equal zero and their combined tax rate
35 shall equal their unemployment contribution rate.
36 When the reserve contribution tax rate is determined
37 to be zero percent, the unemployment contribution rate
38 for all employers shall equal one hundred percent of
39 the combined tax rate. The reserve contributions
40 collected in any calendar year shall not exceed fifty
41 million dollars. The provisions for collection of
42 contributions under section 96.14 are applicable to
43 the collection of reserve contributions. Reserve
44 contributions shall not be deducted in whole or in
45 part by any employer from the wages of individuals in
46 its employ. All moneys collected as reserve
47 contributions shall not become part of the
48 unemployment compensation fund but shall be deposited
49 in the reserve fund created in this subsection.
50 c. Moneys in the reserve fund shall only be used

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1 to pay unemployment benefits to the extent moneys in
2 the unemployment compensation fund are insufficient to
3 pay benefits during a calendar quarter.

4 d. The interest earned on the moneys in the
5 reserve fund shall be deposited in and credited to the
6 reserve fund.

7 e. Moneys from interest earned on the unemployment
8 compensation reserve fund shall be used by the
9 department only upon appropriation by the general
10 assembly and only for purposes contained in section
11 96.7, subsection 12, for department of workforce
12 development rural satellite offices; and for
13 administrative costs to collect the reserve
14 contributions.

15 Sec. 33. Section 256D.4, subsection 2, unnumbered
16 paragraph 1, Code 2003, is amended to read as follows:
17 ~~For each fiscal year in the fiscal period beginning~~
18 ~~July 1, 2001, and ending June 30, 2003, moneys~~ Moneys
19 appropriated pursuant to section 256D.5, subsection 3,
20 shall be allocated to school districts as follows:

21 Sec. 34. Section 256D.5, subsection 3, Code 2003,
22 is amended to read as follows:

23 3. For each fiscal year of the fiscal period
24 beginning July 1, 2001, and ending June 30, ~~2003~~ 2004,
25 the sum of thirty million dollars.

26 Sec. 35. Section 260G.4B, subsection 1, Code 2003,

27 is amended to read as follows:

28 1. The total amount of program job credits from
29 all employers which shall be allocated for all
30 accelerated career education programs in the state in
31 any one fiscal year shall not exceed the sum of three
32 million dollars in the fiscal year beginning July 1,
33 2000, three million dollars in the fiscal year
34 beginning July 1, 2001, three million dollars in the
35 fiscal year beginning July 1, 2002, four million
36 dollars in the fiscal year beginning July 1, 2003, and
37 six million dollars in the fiscal year beginning July
38 1, ~~2003~~ 2004, and every fiscal year thereafter. Any
39 increase in program job credits above the six-million-
40 dollar limitation per fiscal year shall be developed,
41 based on recommendations in a study which shall be
42 conducted by the department of economic development of
43 the needs and performance of approved programs in the
44 fiscal years beginning July 1, 2000, and July 1, 2001.
45 The study's findings and recommendations shall be
46 submitted to the general assembly by the department by
47 December 31, 2002. The study shall include but not be
48 limited to an examination of the quality of the
49 programs, the number of program participant
50 placements, the wages and benefits in program jobs,

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1 the level of employer contributions, the size of
2 participating employers, and employer locations. A
3 community college shall file a copy of each agreement
4 with the department of economic development. The
5 department shall maintain an annual record of the
6 proposed program job credits under each agreement for
7 each fiscal year. Upon receiving a copy of an
8 agreement, the department shall allocate any available
9 amount of program job credits to the community college
10 according to the agreement sufficient for the fiscal
11 year and for the term of the agreement. When the
12 total available program job credits are allocated for
13 a fiscal year, the department shall notify all
14 community colleges that the maximum amount has been
15 allocated and that further program job credits will
16 not be available for the remainder of the fiscal year.
17 Once program job credits have been allocated to a
18 community college, the full allocation shall be
19 received by the community college throughout the
20 fiscal year and for the term of the agreement even if
21 the statewide program job credit maximum amount is
22 subsequently allocated and used.
23 Sec. 36. Section 294A.25, subsection 10, Code
24 2003, is amended to read as follows:
25 10. For the each fiscal year beginning July 1,

26 2001, and ending June 30, 2002, to the department of
 27 education ~~from phase III moneys~~ the amount of forty-
 28 seven thousand dollars for the Iowa mathematics and
 29 science coalition.

30 Sec. 37. Section 427B.19A, subsection 1, as
 31 amended by 2003 Iowa Acts, Senate File 453, if
 32 enacted, is amended to read as follows:

33 1. The industrial machinery, equipment and
 34 computers property tax replacement fund is created.
 35 For the fiscal year beginning July 1, 1996, through
 36 the fiscal year ending June 30, 2004, there is
 37 appropriated annually from the general fund of the
 38 state to the department of revenue and finance to be
 39 credited to the industrial machinery, equipment and
 40 computers property tax replacement fund, an amount
 41 sufficient to implement this division. However, for
 42 the fiscal year beginning July 1, 2003, the amount
 43 appropriated to the department of revenue and finance
 44 to be credited to the industrial machinery, equipment
 45 and computers tax replacement fund is ~~ten~~ eleven
 46 million ~~two hundred~~ eighty-one thousand six hundred
 47 eight-five dollars.

48 Sec. 38. 2001 Iowa Acts, chapter 174, section 1,
 49 subsection 2, as amended by 2002 Iowa Acts, chapter
 50 1174, section 8, is amended to read as follows:

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1 2. There is appropriated from the general fund of
 2 the state to the endowment for Iowa's health account
 3 of the tobacco settlement trust fund created in
 4 section 12E.12, for the designated fiscal years, the
 5 following amounts, to be used for the purposes
 6 specified in section 12E.12 for the endowment for
 7 Iowa's health account:

| | |
|-----------------------|--------------------------|
| 8 FY 2001-2002 | \$ 7,248,000 |
| 9 FY 2003-2004 | \$ 28,251,000 |
| 10 | 0 |
| 11 FY 2004-2005 | \$ 29,785,000 |
| 12 FY 2005-2006 | \$ 29,562,000 |
| 13 FY 2006-2007 | \$ 17,773,000 |

14 Sec. 39. 2002 Iowa Acts, chapter 1173, section 18,
 15 is amended to read as follows:

16 SEC. 18. POOLED TECHNOLOGY FUNDING – PRIOR
 17 ALLOCATIONS – NONREVERSION. Notwithstanding section
 18 8.33, moneys appropriated and allocated in 2001 Iowa
 19 Acts, chapter 189, section 5, subsection 1, which
 20 remain unobligated or unexpended at the close of the
 21 fiscal year for which they were appropriated shall not
 22 revert, but shall remain available for expenditure for
 23 the purposes for which they were appropriated and
 24 allocated, for the fiscal year period beginning July

25 1, 2002, and ending June 30, ~~2003~~ 2004.

26 Sec. 40. 2002 Iowa Acts, Second Extraordinary
27 Session, chapter 1001, section 33, is amended to read
28 as follows:

29 SEC. 33. EFFECTIVE DATE – APPLICABILITY. The
30 amendments to the following designated Code provisions
31 in this division of this Act take effect July 1, ~~2003~~
32 2004:

33 1. Section 8.55, subsection 2, paragraph "a".

34 2. Section 8.56, subsection 4, paragraph "b".

35 3. Section 8.57, subsection 1, paragraph "a".

36 Sec. 41. FRANCHISE TAX REVENUE ALLOCATION. There
37 is appropriated from the franchise tax revenues
38 deposited in the general fund of the state to the
39 department of revenue and finance for the fiscal year
40 beginning July 1, 2003, and ending June 30, 2004,
41 \$8,800,000 to be allocated as follows:

42 1. Sixty percent to the general fund of the city
43 from which the tax is collected.

44 2. Forty percent to the county from which the tax
45 is collected.

46 If the financial institution maintains one or more
47 offices for the transaction of business, other than
48 its principal office, a portion of its franchise tax
49 shall be allocated to each office, based upon a
50 reasonable measure of the business activity of each

Page 15

1 office. The director of revenue and finance shall
2 prescribe, for each type of financial institution, a
3 method of measuring the business activity of each
4 office. Financial institutions shall furnish all
5 necessary information for this purpose at the request
6 of the director. The allocation shall be distributed
7 quarterly.

8 Sec. 42. 2003 Iowa Acts, Senate File 453, section
9 28, if enacted, is repealed.

10 RACING AND GAMING COMMISSION

11 Sec. 43. 2002 Iowa Acts, Second Extraordinary
12 Session, chapter 1003, section 9, subsection 1, is
13 amended to read as follows:

14 1. RACETRACK REGULATION

15 There is appropriated from the general fund of the
16 state to the racing and gaming commission of the
17 department of inspections and appeals for the fiscal
18 year beginning July 1, 2002, and ending June 30, 2003,
19 the following amount, or so much thereof as is
20 necessary, to be used for the purposes designated:

21 For salaries, support, maintenance, and
22 miscellaneous purposes for the regulation of pari-
23 mutuel racetracks, and for not more than the following

24 full-time equivalent positions:

| | |
|----------|--------------|
| 25 | \$ 2,083,762 |
| 26 | 2,163,762 |
| 27 | FTEs 24.78 |

28 Of the funds appropriated in this subsection,
29 \$85,576 shall be used to conduct an extended harness
30 racing season.

31 Sec. 44. 2003 Iowa Acts, House File 655, section
32 24, if enacted, is amended to read as follows:

33 SEC. 24. READY TO WORK PROGRAM COORDINATOR. There
34 is appropriated from ~~the surplus funds in the long-~~
35 ~~term disability reserve fund and the workers'~~
36 compensation trust fund to the department of personnel
37 for the fiscal year beginning July 1, 2003, and ending
38 June 30, 2004, the following amount, or so much
39 thereof as is necessary, to be used for the purposes
40 designated:

41 For the salary, support, and miscellaneous expenses
42 for the ready to work program and coordinator:
43

| | |
|----------|-----------|
| 43 | \$ 89,416 |
|----------|-----------|

44 ~~The moneys appropriated pursuant to this section~~
45 ~~shall be taken in equal proportions from the long-term~~
46 ~~disability reserve fund and the workers' compensation~~
47 ~~trust fund.~~

48 Sec. 45. 2003 Iowa Acts, House File 655, section
49 34, if enacted, is amended to read as follows:

50 SEC. 34. READY TO WORK PROGRAM COORDINATOR. There

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1 is appropriated from ~~the surplus funds in the long-~~
2 ~~term disability reserve fund and the workers'~~
3 compensation trust fund to the department of
4 administrative services for the fiscal year beginning
5 July 1, 2003, and ending June 30, 2004, the following
6 amount, or so much thereof as is necessary, to be used
7 for the purposes designated:

8 For the salary, support, and miscellaneous expenses
9 for the ready to work program and coordinator:
10

| | |
|----------|-----------|
| 10 | \$ 89,416 |
|----------|-----------|

11 ~~The moneys appropriated pursuant to this section~~
12 ~~shall be taken in equal proportions from the long-term~~
13 ~~disability reserve fund and the workers' compensation~~
14 ~~trust fund.~~

15 Sec. 46. CONTINGENT CASH RESERVE APPROPRIATION.

16 1. There is appropriated from the cash reserve
17 fund to the general fund of the state for the fiscal
18 year beginning July 1, 2002, and ending June 30, 2003,
19 for the purposes of reducing or preventing any
20 overdraft on or deficit in the general fund of the
21 state, an amount not to exceed \$50,000,000.

22 2. The appropriation made in subsection 1 is

23 contingent upon all of the following having occurred:

24 a. The revenue estimating conference estimate of
25 general fund receipts made during the last quarter of
26 the fiscal year was or the actual fiscal year receipts
27 and accruals were at least one-half of one percent
28 less than the comparable estimate made during the
29 third quarter of the fiscal year.

30 b. The governor has implemented the uniform
31 reductions in appropriations required in section 8.31
32 as a result of paragraph "a" and such reduction was
33 insufficient to prevent an overdraft on or deficit in
34 the general fund of the state or the governor did not
35 implement uniform reductions in appropriations because
36 of the lateness of the estimated or actual receipts
37 and accruals under paragraph "a".

38 c. The balance of the general fund of the state at
39 the end of the fiscal year prior to the appropriation
40 made in subsection 1 was negative.

41 d. The governor has issued an official
42 proclamation and has notified the cochairpersons of
43 the fiscal committee of the legislative council and
44 the legislative services agency that the contingencies
45 in paragraphs "a" through "c" have occurred and the
46 reasons why the uniform reductions specified in
47 paragraph "b" were insufficient or were not
48 implemented to prevent an overdraft on or deficit in
49 the general fund of the state.

50 3. If an appropriation is made pursuant to

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1 subsection 1 for a fiscal year, there is appropriated
2 from the general fund of the state to the cash reserve
3 fund for the following fiscal year, the amount of the
4 appropriation made pursuant to subsection 1.

5 Sec. 47. EFFECTIVE DATE. The following provisions
6 of this division of this Act, being deemed of
7 immediate importance, take effect upon enactment:

8 1. The section appropriating moneys from the keep
9 Iowa beautiful fund.

10 2. The section amending 2002 Iowa Acts, chapter
11 1173, section 18, relating to the nonreversion of
12 pooled technology funding.

13 3. The section appropriating moneys from the cash
14 reserve fund for the military pay differential
15 program. This section applies retroactively to March
16 19, 2003.

17 4. The section appropriating moneys from the
18 assisted living program fund.

19 5. The section making the contingent appropriation
20 from the cash reserve fund.

21 6. The section amending 2002 Iowa Acts, Second

22 Extraordinary Session, chapter 1003, section 9,
23 relating to racetrack regulation.

24 7. The amendment to section 96.9.

25 DIVISION V

26 COMPENSATION AND BENEFITS

27 Sec. 48. COLLECTIVE BARGAINING AGREEMENTS FUNDED

28 – GENERAL FUND. There is appropriated from the
29 general fund of the state to the salary adjustment
30 fund for distribution by the department of management
31 to the various state departments, boards, commissions,
32 councils, and agencies, and to the state board of
33 regents for those persons employed at the state school
34 for the deaf and the Iowa braille and sight saving
35 school, for the fiscal year beginning July 1, 2003,
36 and ending June 30, 2004, the amount of \$28,000,000,
37 or so much thereof as may be necessary, to fully fund
38 annual pay adjustments, expense reimbursements, and
39 related benefits implemented pursuant to the
40 following:

41 1. The collective bargaining agreement negotiated
42 pursuant to chapter 20 for employees in the blue
43 collar bargaining unit.

44 2. The collective bargaining agreement negotiated
45 pursuant to chapter 20 for employees in the public
46 safety bargaining unit.

47 3. The collective bargaining agreement negotiated
48 pursuant to chapter 20 for employees in the security
49 bargaining unit.

50 4. The collective bargaining agreement negotiated

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1 pursuant to chapter 20 for employees in the technical
2 bargaining unit.

3 5. The collective bargaining agreement negotiated
4 pursuant to chapter 20 for employees in the
5 professional fiscal and staff bargaining unit.

6 6. The collective bargaining agreement negotiated
7 pursuant to chapter 20 for employees in the clerical
8 bargaining unit.

9 7. The collective bargaining agreement negotiated
10 pursuant to chapter 20 for employees in the
11 professional social services bargaining unit.

12 8. The collective bargaining agreement negotiated
13 pursuant to chapter 20 for employees in the community-
14 based corrections bargaining unit.

15 9. The collective bargaining agreements negotiated
16 pursuant to chapter 20 for employees in the judicial
17 branch of government bargaining units.

18 10. The collective bargaining agreement negotiated
19 pursuant to chapter 20 for employees in the patient
20 care bargaining unit.

21 11. The collective bargaining agreement negotiated
22 pursuant to chapter 20 for employees in the science
23 bargaining unit.

24 12. The annual pay adjustments, related benefits,
25 and expense reimbursements referred to in the sections
26 of this division of this Act for employees not covered
27 by a collective bargaining agreement.

28 Of the amount appropriated in this section,
29 \$2,668,000 shall be allocated to the judicial branch
30 for the purpose of funding annual pay adjustments,
31 expense reimbursements, and related benefits
32 implemented for judicial branch employees. In
33 distributing the remainder of the amount appropriated
34 in this section, the department of management, in
35 order to address essential public protection functions
36 and recognizing the availability of funds appropriated
37 in other Acts of the general assembly and other
38 sources, shall give priority, in descending order, to
39 the department of corrections, department of human
40 services, and department of public safety, and then to
41 the remaining state departments, boards, commissions,
42 councils, and agencies to which the appropriation is
43 applicable.

44 Sec. 49. NONCONTRACT STATE EMPLOYEES – GENERAL.

45 1. a. For the fiscal year beginning July 1, 2003,
46 the maximum salary levels of all pay plans provided
47 for in section 19A.9, subsection 2, as they exist for
48 the fiscal year ending June 30, 2003, shall be
49 increased by 2 percent for the pay period beginning
50 June 20, 2003, and any additional changes in the pay

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1 plans shall be approved by the governor.

2 b. For the fiscal year beginning July 1, 2003,
3 employees may receive a step increase or the
4 equivalent of a step increase.

5 2. The pay plans for state employees who are
6 exempt from chapter 19A and who are included in the
7 department of revenue and finance's centralized
8 payroll system shall be increased in the same manner
9 as provided in subsection 1, and any additional
10 changes in any executive branch pay plans shall be
11 approved by the governor. However, commencing July 1,
12 2003, the consumer advocate shall receive an annual
13 salary in the same salary range as the chairperson and
14 members of the utilities board.

15 3. This section does not apply to members of the
16 general assembly, board members, commission members,
17 salaries of persons set by the general assembly in
18 statute, salaries of appointed state officers set by
19 the governor, other persons designated, employees

20 designated under section 19A.3, subsection 5, and
21 employees covered by 581 IAC 4.6(3).

22 4. The pay plans for the bargaining eligible
23 employees of the state shall be increased in the same
24 manner as provided in subsection 1, and any additional
25 changes in such executive branch pay plans shall be
26 approved by the governor. As used in this section,
27 "bargaining eligible employee" means an employee who
28 is eligible to organize under chapter 20, but has not
29 done so.

30 5. The policies for implementation of this section
31 shall be approved by the governor.

32 Sec. 50. STATE EMPLOYEES – STATE BOARD OF
33 REGENTS.

34 1. Funds from the appropriation made in this
35 division of this Act from the general fund of the
36 state to the salary adjustment fund shall be allocated
37 by the department of management to the state board of
38 regents for the purposes of providing increases for
39 state board of regents employees at the state school
40 for the deaf and the Iowa braille and sight saving
41 school who are addressed by that appropriation and
42 employees of the schools who are not covered by a
43 collective bargaining agreement.

44 2. The state board of regents office and the state
45 university of Iowa, Iowa state university of science
46 and technology, and the university of northern Iowa
47 shall provide from available sources pay adjustments,
48 expense reimbursements, and related benefits to fully
49 fund the following:

50 a. The collective bargaining agreement negotiated

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1 pursuant to chapter 20 for employees in the university
2 of northern Iowa faculty bargaining unit.

3 b. The collective bargaining agreement negotiated
4 pursuant to chapter 20 for employees in the patient
5 care bargaining unit.

6 c. The collective bargaining agreement negotiated
7 pursuant to chapter 20 for employees in the science
8 bargaining unit.

9 d. The collective bargaining agreement negotiated
10 pursuant to chapter 20 for employees in the state
11 university of Iowa graduate student bargaining unit.

12 e. The collective bargaining agreement negotiated
13 pursuant to chapter 20 for employees in the state
14 university of Iowa hospital and clinics tertiary
15 health care bargaining unit.

16 f. The collective bargaining agreement negotiated
17 pursuant to chapter 20 for employees in the blue
18 collar bargaining unit.

19 g. The collective bargaining agreement negotiated
20 pursuant to chapter 20 for employees in the public
21 safety bargaining unit.

22 h. The collective bargaining agreement negotiated
23 pursuant to chapter 20 for employees in the security
24 bargaining unit.

25 i. The collective bargaining agreement negotiated
26 pursuant to chapter 20 for employees in the technical
27 bargaining unit.

28 j. The collective bargaining agreement negotiated
29 pursuant to chapter 20 for employees in the
30 professional fiscal and staff bargaining unit.

31 k. The collective bargaining agreement negotiated
32 pursuant to chapter 20 for employees in the clerical
33 bargaining unit.

34 l. The annual pay adjustments, related benefits,
35 and expense reimbursements referred to in the sections
36 of this division of this Act for employees not covered
37 by a collective bargaining agreement.

38 Sec. 51. APPROPRIATIONS FROM ROAD FUNDS.

39 1. There is appropriated from the road use tax
40 fund to the salary adjustment fund for the fiscal year
41 beginning July 1, 2003, and ending June 30, 2004, the
42 following amount, or so much thereof as may be
43 necessary, to be used for the purpose designated:

44 To supplement other funds appropriated by the
45 general assembly:

46 \$ 3,000,000

47 2. There is appropriated from the primary road
48 fund to the salary adjustment fund, for the fiscal
49 year beginning July 1, 2003, and ending June 30, 2004,
50 the following amount, or so much thereof as may be

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1 necessary, to be used for the purpose designated:

2 To supplement other funds appropriated by the
3 general assembly:

4 \$ 12,000,000

5 3. Except as otherwise provided in this division
6 of this Act, the amounts appropriated in subsections 1
7 and 2 shall be used to fund the annual pay
8 adjustments, expense reimbursements, and related
9 benefits for public employees as provided in this
10 division of this Act.

11 Sec. 52. SPECIAL FUNDS - AUTHORIZATION. To
12 departmental revolving, trust, or special funds,
13 except for the primary road fund or the road use tax
14 fund, for which the general assembly has established
15 an operating budget, a supplemental expenditure
16 authorization is provided, unless otherwise provided,
17 in an amount necessary to fund salary adjustments as

18 otherwise provided in this division of this Act.
19 Sec. 53. GENERAL FUND SALARY MONEYS. Funds
20 appropriated from the general fund of the state in
21 this division of this Act relate only to salaries
22 supported from general fund appropriations of the
23 state except for employees of the state board of
24 regents at the state school for the deaf and the Iowa
25 braille and sight saving school. The funds
26 appropriated from the general fund of the state for
27 employees at the state school for the deaf and the
28 Iowa braille and sight saving school of the state
29 board of regents shall exclude general university
30 indirect costs and general university federal funds.
31 Sec. 54. FEDERAL FUNDS APPROPRIATED. All federal
32 grants to and the federal receipts of the agencies
33 affected by this division of this Act which are
34 received and may be expended for purposes of this
35 division of this Act are appropriated for those
36 purposes and as set forth in the federal grants or
37 receipts.
38 Sec. 55. STATE TROOPER MEAL ALLOWANCE. The sworn
39 peace officers in the department of public safety who
40 are not covered by a collective bargaining agreement
41 negotiated pursuant to chapter 20 shall receive the
42 same per diem meal allowance as the sworn peace
43 officers in the department of public safety who are
44 covered by a collective bargaining agreement
45 negotiated pursuant to chapter 20.
46 Sec. 56. SALARY MODEL COORDINATOR. Of the funds
47 appropriated in this division of this Act from the
48 general fund of the state, \$126,767 for the fiscal
49 year beginning July 1, 2003, is allocated to the
50 department of management for salary and support of the

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1 salary model coordinator who shall work in conjunction
2 with the legislative fiscal bureau to maintain the
3 state's salary model used for analyzing, comparing,
4 and projecting state employee salary and benefit
5 information, including information relating to
6 employees of the state board of regents. The
7 department of revenue and finance, the department of
8 personnel, the five institutions under the
9 jurisdiction of the state board of regents, the eight
10 judicial district departments of correctional
11 services, and the state department of transportation
12 shall provide salary data to the department of
13 management and the legislative fiscal bureau to
14 operate the state's salary model. The format and
15 frequency of provision of the salary data shall be
16 determined by the department of management and the

17 legislative fiscal bureau. The information shall be
18 used in collective bargaining processes under chapter
19 20 and in calculating the funding needs contained
20 within the annual salary adjustment legislation. A
21 state employee organization as defined in section
22 20.3, subsection 4, may request information produced
23 by the model, but the information provided shall not
24 contain information attributable to individual
25 employees.

26
27 **DIVISION VI**
CORRECTIVE PROVISIONS

28 Sec. 57. Section 8A.202, subsection 2, paragraph
29 e, if enacted by 2003 Iowa Acts, House File 534, is
30 amended by striking the paragraph and inserting in
31 lieu thereof the following:

32 e. Developing and maintaining an electronic
33 repository for public access to reference copies of
34 agency mandated reports, newsletters, and publications
35 in conformity with section 304B.10, subsection 1,
36 paragraph "h". The department shall develop technical
37 standards for an electronic repository in consultation
38 with the state librarian and the state archivist.

39 Sec. 58. 2003 Iowa Acts, House File 289, section
40 1, is amended by striking the section and inserting in
41 lieu thereof the following:

42 **SECTION 1.** Section 12C.1, subsection 2, paragraph
43 e, Code 2003, as amended by 2003 Iowa Acts, Senate
44 File 395, is amended by adding the following new
45 subparagraph:

46 **NEW SUBPARAGRAPH.** (6) Moneys placed in a
47 depository for the purpose of completing an electronic
48 financial transaction pursuant to section 8A.222 or
49 331.427.

50 Sec. 59. Section 99E.9, subsection 2, Code 2003,

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1 as amended by 2003 Iowa Acts, House File 171, section
2 31, is amended to read as follows:

3 2. Subject to the approval of the board, the
4 commissioner may enter into contracts for the
5 operation and marketing of the lottery, except that
6 the board may by rule designate classes of contracts
7 other than major procurements which do not require
8 prior approval by the board. A major procurement
9 shall be as the result of competitive bidding with the
10 contract being awarded to the responsible vendor
11 submitting the lowest and best proposal. However,
12 before a contract for a major procurement is awarded,
13 the division of criminal investigation of the
14 department of public safety shall conduct a thorough
15 background investigation of the vendor to whom the

16 contract is to be awarded. The commissioner and board
17 shall consult with the division of criminal
18 investigation and shall provide, by rule, for the
19 scope of the thorough background investigations and
20 due diligence with regard to the background
21 investigations to be conducted in connection with
22 major procurements. The vendor shall submit to the
23 division of criminal investigation appropriate
24 investigation authorizations to facilitate this
25 investigation. The background investigation by the
26 division of criminal investigation may include a
27 national criminal history record check through the
28 federal bureau of investigation. The screening of
29 vendors or their employees through the federal bureau
30 of investigation shall be conducted by submission of
31 fingerprints through the state criminal history
32 repository to the federal bureau of investigation. As
33 used in this subsection, "major procurement" means
34 consulting agreements and the major procurement
35 contract with a business organization for the printing
36 of tickets, or for purchase or lease of equipment or
37 services essential to the operation of a lottery game.

38 Sec. 60. Section 99G.10, subsection 2, if enacted
39 by 2003 Iowa Acts, Senate File 453, section 72, is
40 amended to read as follows:

41 2. Subject to the approval of the board, the chief
42 executive officer shall have the sole power to
43 designate particular employees as key personnel, but
44 may take advice from the department of personnel in
45 making any such designations. All key personnel shall
46 be exempt from the merit system described in chapter
47 19A 8A, article 4. The chief executive officer and
48 the board shall have the sole power to employ,
49 classify, and fix the compensation of key personnel.
50 All other employees shall be employed, classified, and

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1 compensated in accordance with ~~chapters 19A~~ chapter
2 8A, article 4, and chapter 20.

3 Sec. 61. Section 99G.22, subsection 1, if enacted
4 by 2003 Iowa Acts, Senate File 453, is amended to read
5 as follows:

6 1. The authority shall investigate the financial
7 responsibility, security, and integrity of any lottery
8 system vendor who is a finalist in submitting a bid,
9 proposal, or offer as part of a major procurement
10 contract. Before a major procurement contract is
11 awarded, the division of criminal investigation of the
12 department of public safety shall conduct a background
13 investigation of the vendor to whom the contract is to
14 be awarded. The chief executive officer and board

15 shall consult with the division of criminal
16 investigation and shall provide for the scope of the
17 background investigation and due diligence to be
18 conducted in connection with major procurement
19 contracts. At the time of submitting a bid, proposal,
20 or offer to the authority on a major procurement
21 contract, the authority shall require that each vendor
22 submit to the division of criminal investigation
23 appropriate investigation authorization to facilitate
24 this investigation, together with an advance of funds
25 to meet the anticipated investigation costs. If the
26 division of criminal investigation determines that
27 additional funds are required to complete an
28 investigation, the vendor will be so advised. The
29 background investigation by the division of criminal
30 investigation may include a national criminal history
31 record check through the federal bureau of
32 investigation. The screening of vendors or their
33 employees through the federal bureau of investigation
34 shall be conducted by submission of fingerprints
35 through the state criminal history record repository
36 to the federal bureau of investigation.

37 Sec. 62. Section 99G.37, subsection 2, if enacted
38 by 2003 Iowa Acts, Senate File 453, section 90, is
39 amended to read as follows:

40 2. In any bidding process, the authority may
41 administer its own bidding and procurement or may
42 utilize the services of the department of general
43 administrative services, ~~or its successor~~, or other
44 state agency.

45 Sec. 63. Section 99G.38, subsection 3, if enacted
46 by 2003 Iowa Acts, Senate File 453, section 91, is
47 amended to read as follows:

48 3. The state of Iowa offset program, as provided
49 in section ~~421.17~~ 8A.504, shall be available to the
50 authority to facilitate receipt of funds owed to the

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1 authority.

2 Sec. 64. Section 135.150, subsection 3, as enacted
3 by 2003 Iowa Acts, House File 396, section 1, is
4 amended to read as follows:

5 3. "Director" means the director ~~or the director's~~
6 ~~designee~~ of public health ~~or the director's designee~~.

7 Sec. 65. Section 135.154, subsection 7, as enacted
8 by 2003 Iowa Acts, House File 396, section 5, is
9 amended to read as follows:

10 7. Treat or order that individuals exposed to or
11 infected with disease receive treatment or
12 prophylaxis. Treatment or prophylaxis shall be
13 administered by any qualified person authorized to do

14 so by the department. Treatment or prophylaxis shall
15 not be provided or ordered if the treatment or
16 prophylaxis is reasonably likely to lead to serious
17 harm to the affected individual. To prevent the
18 spread of communicable or potentially communicable
19 disease, the department may isolate or quarantine,
20 pursuant to chapter 139A and the rules implementing
21 chapter 139A and this division of this chapter, any
22 individual who is unable or unwilling to undergo
23 treatment or prophylaxis pursuant to this section.

24 Sec. 66. Section 170.6, subsection 1, paragraph b,
25 if enacted by 2003 Iowa Acts, House File 624, is
26 amended to read as follows:

27 b. Failed to provide notice or access to the
28 department of natural resources and the department of
29 agriculture and land stewardship as required by
30 section 170.5.

31 Sec. 67. Section 231.56A, if enacted by 2003 Iowa
32 Acts, Senate File 416, section 1, is amended to read
33 as follows:

34 231.56A ELDER ABUSE INITIATIVE, EMERGENCY SHELTER,
35 AND SUPPORT SERVICES PROJECTS.

36 1. Through the state's service contract process
37 adopted pursuant to section 8.47, the department shall
38 identify area agencies on aging that have demonstrated
39 the ability to provide a collaborative response to the
40 immediate needs of elders in the area agency on aging
41 service area for the purpose of implementing elder
42 abuse initiative, emergency shelter, and support
43 services projects. The projects shall be implemented
44 only in the counties within an area agency on aging
45 service area that have a multidisciplinary team
46 established pursuant to section 235B.1.

47 2. The target population of the projects shall be
48 any elder residing in the service area of an area
49 agency on aging who meets both of the following
50 conditions:

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- 1 a. Is the subject of a report of suspected
- 2 dependent adult abuse pursuant to chapter 235B.
- 3 b. Is not receiving assistance under a county
- 4 management plan approved pursuant to section 331.439.
- 5 3. The area agencies on aging implementing the
- 6 projects shall identify allowable emergency shelter
- 7 and support services, state funding, outcomes,
- 8 reporting requirements, and approved community
- 9 resources from which services may be obtained under
- 10 the projects. The area agency on aging shall identify
- 11 at least one provider of case management services for
- 12 the project area.

13 4. The area agencies on aging shall implement the
14 projects and shall coordinate the provider network
15 through the use of referrals or other engagement of
16 community resources to provide services to elders.

17 5. The department shall award funds to the area
18 agencies on aging in accordance with the state's
19 service contract process. Receipt and expenditures of
20 moneys under the projects are subject to examination,
21 including audit, by the department.

22 6. This section shall not be construed and is not
23 intended as, and shall not imply, a grant of
24 entitlement for services to individuals who are not
25 otherwise eligible for the services or for utilization
26 of services that do not currently exist or are not
27 otherwise available.

28 Sec. 68. Section 232.71B, subsection 7A, if
29 enacted by 2003 Iowa Acts, House File 558, section 1,
30 is amended to read as follows:

31 7A. PROTECTIVE DISCLOSURE. If the department
32 determines that disclosure is necessary for the
33 protection of a child, the department may disclose to
34 a subject of a child abuse report referred to in
35 section 235A.15, subsection 2, paragraph "a", that an
36 individual is listed in the child or dependent adult
37 abuse registry or is required to register with the sex
38 offender registry in accordance with chapter 692A.

39 Sec. 69. Section 235B.3, subsection 6A, if enacted
40 by 2003 Iowa Acts, House File 558, section 2, is
41 amended to read as follows:

42 6A. If the department determines that disclosure
43 is necessary for the protection of a dependent adult,
44 the department may disclose to a subject of a
45 dependent adult abuse report referred to in section
46 235B.6, subsection 2, paragraph "a", that an
47 individual is listed in the child or dependent adult
48 abuse registry or is required to register with the sex
49 offender registry in accordance with chapter 692A.

50 Sec. 70. Section 304B.3, subsections 4, 8, and 9,

Page 27

1 if enacted by 2003 Iowa Acts, House File 648, section
2 6, are amended to read as follows:

3 4. The director of revenue ~~and finance~~.

4 8. The director of the department of ~~general~~
5 administrative services.

6 9. ~~The director of the information technology~~
7 ~~department.~~

8 Sec. 71. Section 321.69, subsection 9, as amended
9 by 2003 Acts, House File 502, section 3, is amended to
10 read as follows:

11 9. ~~This~~ Except for subsection 9A, this section

12 does not apply to motor trucks and truck tractors with
13 a gross vehicle weight rating of sixteen thousand
14 pounds or more, vehicles more than nine model years
15 old, motorcycles, motorized bicycles, and special
16 mobile equipment. This section does apply to motor
17 homes. The requirement in subsection 1 that the new
18 certificate of title and registration receipt shall
19 state on the face of the title the total cumulative
20 dollar amount of damage does not apply to a vehicle
21 with a certificate of title bearing a designation that
22 the vehicle was previously titled on a salvage
23 certificate of title pursuant to section 321.52,
24 subsection 4, paragraph "b", or to a vehicle with a
25 certificate of title bearing a "REBUILT" or "SALVAGE"
26 designation pursuant to section 321.24, subsection 4
27 or 5. This Except for subsection 9A, this section
28 does not apply to new motor vehicles with a true
29 mileage, as defined in section 321.71, of one thousand
30 miles or less, unless such vehicle has incurred damage
31 as defined in subsection 2.

32 Sec. 72. Section 356.7, subsection 1, as amended
33 by 2003 Iowa Acts, House File 650, section 1, if
34 enacted, is amended to read as follows:

35 1. The county sheriff, or a municipality operating
36 a temporary municipal holding facility or jail, may
37 charge a prisoner who is eighteen years of age or
38 older and who has been convicted of a criminal offense
39 or sentenced for contempt of court for violation of a
40 domestic abuse order for the actual administrative
41 costs relating to the arrest and booking of that
42 prisoner, and for room and board provided to the
43 prisoner while in the custody of the county sheriff or
44 municipality. Moneys collected by the sheriff or
45 municipality under this section shall be credited
46 ~~respectfully~~ respectively to the county general fund
47 or the city general fund and distributed as provided
48 in this section. If a prisoner who has been convicted
49 of a criminal offense or sentenced for contempt of
50 court for violation of a domestic abuse order fails to

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1 pay for the administrative costs and the room and
2 board, the sheriff or municipality may file a room and
3 board reimbursement claim with the district court as
4 provided in subsection 2. The county attorney may
5 file the reimbursement claim on behalf of the sheriff
6 and the county or the municipality. The attorney for
7 the municipality may also file a reimbursement claim
8 on behalf of the municipality. This section does not
9 apply to prisoners who are paying for their room and
10 board by court order pursuant to sections 356.26

11 through 356.35.

12 Sec. 73. Section 459.401, subsection 2, paragraph
13 a, subparagraph (3A), if enacted by 2003 Iowa Acts,
14 House File 644, section 18, is amended to read as
15 follows:

16 (3A) A commercial manure service license fee as
17 provided in section ~~359.316~~ 459.316.

18 Sec. 74. Section 505A.1, article V, section 2,
19 paragraph a, subparagraph (3), if enacted by 2003 Iowa
20 Acts, House File 647, section 54, is amended to read
21 as follows:

22 (3) Four members from those compacting states with
23 less than two percent of the market, based on the
24 premium volume described in subparagraph (1), with one
25 selected from each of the four zone regions of the
26 national association of insurance commissioners as
27 provided in the bylaws.

28 Sec. 75. Section 508.31A, subsection 2, paragraph
29 b, Code 2003, as amended by 2003 Iowa Acts, House File
30 647, section 7, if enacted, is amended to read as
31 follows:

32 b. A funding agreement issued pursuant to
33 paragraph "a", subparagraph (1), (2), or (3), shall be
34 for a total amount of not less than one million
35 dollars.

36 Sec. 76. Section 692A.13, subsection 9, if enacted
37 by 2003 Iowa Acts, House File 558, section 3, is
38 amended to read as follows:

39 9. If the department of human services determines
40 that disclosure is necessary for the protection of a
41 child or a dependent adult, the department may
42 disclose to a subject of a child abuse report referred
43 to in section 235A.15, subsection 2, paragraph "a", or
44 to a subject of a dependent adult abuse report
45 referred to in section 235B.6, subsection 2, paragraph
46 "a", that an individual is listed in the child or
47 dependent adult abuse registry or is required to
48 register under this chapter.

49 Sec. 77. Section 901.5, subsection 7A, paragraph
50 d, as enacted by 2003 Iowa Acts, House File 404,

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1 section 1, is amended to read as follows:

2 d. Violation of a no-contact order issued under
3 this section is punishable by summary contempt
4 proceedings. A hearing in a contempt proceeding
5 brought pursuant to this subsection shall be held not
6 less than five days and not more than fifteen days
7 after the issuance of a rule to show cause, as set by
8 the court, unless the defendant is already in custody
9 at the time of the alleged violation in which case the

10 hearing shall be held not less than five days and not
11 more than forty-five days after the issuance of the
12 rule to show cause.

13 Sec. 78. 2003 Iowa Acts, Senate File 155, section
14 26, is repealed.

15 Sec. 79. 2003 Iowa Acts, Senate File 155, section
16 56, is repealed.

17 Sec. 80. 2003 Iowa Acts, Senate File 453, section
18 44, subsection 8, if enacted, is amended to read as
19 follows:

20 8. STATUTORY REQUIREMENTS. The requirements of
21 sections ~~48.6~~ 8A.311 and 72.3 and the administrative
22 rules implementing section 8.47 are not applicable to
23 the services procurement process used to implement the
24 outcomes-based service system redesign in accordance
25 with this section. The department of human services
26 may enter into competitive negotiations and proposal
27 modifications with each successful contractor as
28 necessary to implement the provisions of this section.

29 Sec. 81. 2003 Iowa Acts, House File 601, section
30 2, is amended by striking the section and inserting in
31 lieu thereof the following:

32 SEC. 2. Section 56.5, subsection 2, paragraph d,
33 Code 2003, is amended by striking the paragraph.

34 Sec. 82. 2003 Iowa Acts, House File 624, section
35 22, if enacted, is amended to read as follows:

36 SEC. 22. HUNTING PRESERVES AND GAME BREEDERS -

37 AUTOMATIC CERTIFICATION. ~~Any~~ A fence enclosing farm

38 deer kept on land which is owned by a person licensed
39 pursuant to section 484B.5 or 481A.61 ~~and which is~~

40 ~~enclosed with a fence~~ on the effective date of this

41 Act shall be deemed to comply with construction

42 requirements of section 170.4 and shall be

43 automatically certified by the department of

44 agriculture and land stewardship without ~~submitting~~

45 ~~submission~~ of an application. The landowner is not

46 required to notify the department of natural resources

47 concerning removal of whitetail as otherwise required

48 pursuant to section 170.5.

49 Sec. 83. 2003 Iowa Acts, House File 648, section

50 1, if enacted, is repealed.

Page 30

1 Sec. 84. CONTINGENT EFFECTIVE DATES.

2 1. The section of this division of this Act

3 amending section 8A.202, subsection 2, if enacted by

4 2003 Iowa Acts, House File 534, takes effect if House

5 File 648, relating to the management of state archives

6 and records, is enacted by the Eightieth General

7 Assembly, 2003 Regular Session.

8 1. The sections of this division of this Act

9 amending sections 12C.1, 99G.10, 99G.37, and 99G.38
10 take effect only if House File 534 is enacted by the
11 Eightieth General Assembly, 2003 Regular Session.

12 2. The sections of this division of this Act
13 amending section 304B.3, if enacted by 2003 Iowa Acts,
14 House File 648, and repealing 2003 Iowa Acts, House
15 File 648, section 1, if enacted, take effect if House
16 File 534, establishing a department of administrative
17 services, is enacted by the Eightieth General
18 Assembly, 2003 Regular Session.

19 3. The section of this division of this Act
20 repealing 2003 Iowa Acts, Senate File 155, section 26,
21 takes effect if 2003 Iowa Acts, House File 614,
22 relating to elections, is enacted by the Eightieth
23 General Assembly, 2003 Regular Session.

24 DIVISION VII

25 MISCELLANEOUS PROVISIONS

26 Sec. 85. Section 7J.1, subsection 1, if enacted by
27 2003 Iowa Acts, Senate File 453, is amended to read as
28 follows:

29 7J.1 CHARTER AGENCIES.

30 1. DESIGNATION OF CHARTER AGENCIES – PURPOSE.

31 The governor may, by executive order, designate ~~up to~~
32 ~~five~~ state departments or agencies, as described in
33 section 7E.5, other than the department of
34 administrative services, if the department is
35 established in law, or the department of management,
36 as a charter agency by July 1, 2003. The designation
37 of a charter agency shall be for a period of five
38 years which shall terminate as of June 30, 2008. The
39 purpose of designating a charter agency is to grant
40 the agency additional authority as provided by this
41 chapter while reducing the total appropriations to the
42 agency.

43 Sec. 86. Section 7J.1, subsection 3, paragraph a,
44 if enacted by 2003 Iowa Acts, Senate File 453, is
45 amended to read as follows:

46 a. It is the intent of the general assembly that
47 state general fund operating appropriations to a
48 charter agency for any the fiscal year beginning July
49 1, 2003, and ending June 30, 2004, shall be reduced,
50 with a target reduction of ten percent for each

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1 ~~charter agency~~, from the appropriation that would
2 otherwise have been enacted for that charter agency
3 which, along with any additional generated revenue to
4 the general fund of the state attributed to the
5 reinvention process as determined by the department of
6 management, over that already committed to the general
7 fund of the state by a charter agency, will achieve an

8 overall target of fifteen million dollars.

9 Sec. 87. Section 7J.2, if enacted by 2003 Iowa
10 Acts, Senate File 453, is amended to read as follows:

11 7J.2 CHARTER AGENCY LOAN GRANT FUND.

12 1. A charter agency loan grant fund is created in
13 the state treasury under the control of the department
14 of management for the purpose of providing funding to
15 support innovation by those state agencies designated
16 as charter agencies in accordance with section 7J.1.
17 Innovation purposes shall include but are not limited
18 to training, development of outcome measurement
19 systems, management system modifications, and other
20 modifications associated with transition of operations
21 to charter agency status. Moneys in the fund are
22 appropriated to the department of management for the
23 purposes described in this subsection.

24 2. A charter agency requesting a loan grant from
25 the fund shall complete an application process
26 designated by the director of the department of
27 management. Minimum loan requirements for charter
28 agency requests shall be determined by the director.

29 ~~3. In order for the fund to be self-supporting,~~
30 ~~the director of the department of management shall~~
31 ~~establish repayment schedules for each loan awarded.~~
32 ~~An agency shall repay the loan over a period not to~~
33 ~~exceed five years with interest, at a rate to be~~
34 ~~determined by the director.~~

35 4. 3. Notwithstanding section 12C.7, subsection 2,
36 interest or earnings on moneys deposited in the
37 charter agency loan grant fund shall be credited to
38 the charter agency loan grant fund. Notwithstanding
39 section 8.33, moneys credited to the charter agency
40 loan grant fund shall not revert to the fund from
41 which appropriated at the close of a fiscal year.

42 Sec. 88. Section 8.23, subsection 1, paragraph a,
43 Code 2003, is amended by striking the paragraph.

44 Sec. 89. Section 8.31, Code 2003, is amended to
45 read as follows:

46 8.31 QUARTERLY REQUISITIONS—ALLOTMENTS OF
47 APPROPRIATIONS—EXCEPTIONS—MODIFICATIONS.

48 1. a. Before an appropriation for administration,
49 operation and maintenance of any department or
50 establishment shall become becomes available, there

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1 shall be submitted the department or establishment
2 shall submit to the director of the department of
3 management, not less than twenty days before the
4 beginning of each quarter of each fiscal year, a
5 requisition for an allotment of the amount estimated
6 to be necessary to carry on its work appropriation

7 according to dates identified in the requisition
8 during the ensuing quarter fiscal year by which
9 portions of the appropriation will be needed. The
10 department or establishment shall submit the
11 requisition by June 1, prior to the start of a fiscal
12 year or by another date identified by the director.
13 The requisition shall contain details of proposed
14 expenditures as may be required by the director of the
15 department of management subject to review by the
16 governor.
17 b. The director of the department of management
18 shall approve the allotments subject to review by the
19 governor, unless it is found that the estimated budget
20 resources during the fiscal year are insufficient to
21 pay all appropriations in full, in which event such
22 allotments may be modified to the extent the governor
23 may deem necessary in order that there shall be no
24 overdraft or deficit in the several funds of the state
25 at the end of the fiscal year, and the director shall
26 submit copies of the allotments thus approved or
27 modified to the head of the department or
28 establishment concerned, who shall set up such
29 allotments on the books and be governed accordingly in
30 the control of expenditures.
31 ~~Allotments of appropriations made for equipment,~~
32 ~~land, permanent improvements, and other capital~~
33 ~~projects may, however, be allotted in one amount by~~
34 ~~major classes or projects for which they are~~
35 ~~expendable without regard to quarterly periods. For~~
36 ~~fiscal years beginning on or after July 1, 1989,~~
37 ~~allotments of appropriations for equipment, land,~~
38 ~~permanent improvements, and other capital projects,~~
39 ~~except where contracts have been entered into with~~
40 ~~regard to the acquisition or project prior to July 1,~~
41 ~~1989, shall not be allotted in one amount but shall be~~
42 ~~allotted at quarterly periods as provided in this~~
43 ~~section.~~
44 2. Allotments thus made in accordance with
45 subsection 1 may be subsequently modified by the
46 director of the department of management at the
47 direction of the governor either upon the written
48 request of the head of the department or establishment
49 concerned, or in the event the governor finds that the
50 estimated budget resources during the fiscal year are

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1 insufficient to pay all appropriations in full, upon
2 the governor's own initiative to the extent the
3 governor may deem necessary in order that there shall
4 be no overdraft or deficit in the several funds of the
5 state at the end of the fiscal year; and the head of

6 the department or establishment shall be given notice
7 of a modification in the same way as in the case of
8 original allotments.

9 ~~3. Provided, however, that the~~ The allotment
10 requests of all departments and establishments
11 collecting governmental fees and other revenue which
12 supplement a state appropriation shall attach to the
13 summary of requests a statement showing how much of
14 the proposed allotments are to be financed from (1)
15 state appropriations, (2) stores, and (3) repayment
16 receipts.

17 4. The procedure to be employed in controlling the
18 expenditures and receipts of the state fair board and
19 the institutions under the state board of regents,
20 whose collections are not deposited in the state
21 treasury, is that outlined in section 421.31,
22 subsection 6.

23 5. If the governor determines that the estimated
24 budget resources during the fiscal year are
25 insufficient to pay all appropriations in full, the
26 reductions shall be uniform and prorated between all
27 departments, agencies and establishments upon the
28 basis of their respective appropriations.

29 6. Allotments from appropriations for the foreign
30 trade offices of the department of economic
31 development, if the appropriations are described by
32 line item in the department's appropriation Act or
33 another Act, may be made ~~without regard to quarterly~~
34 ~~periods~~ as is necessary to take advantage of the most
35 favorable foreign currency exchange rates.

36 Sec. 90. Section 8.57, subsection 1, paragraph c,
37 Code 2003, is amended to read as follows:

38 c. The amount appropriated in this section is not
39 subject to the provisions of section 8.31, relating to
40 ~~quarterly~~ requisitions and allotment, or to section
41 8.32, relating to conditional availability of
42 appropriations.

43 Sec. 91. Section 12B.10, subsection 6, paragraph
44 d, subparagraph (4), Code 2003, is amended to read as
45 follows:

46 (4) For investments of short-term operating funds,
47 the funds shall not be invested in investments having
48 effective maturities exceeding sixty-three months.

49 Sec. 92. Section 12B.10A, subsection 6, paragraph
50 d, subparagraph (4), Code 2003, is amended to read as

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1 follows:

2 (4) For investments of short-term operating funds,
3 the funds shall not be invested in investments having
4 effective maturities exceeding sixty-three months.

5 Sec. 93. Section 12C.27, Code 2003, is amended by
6 striking the section and inserting in lieu thereof the
7 following:

8 12C.27 FAILURE TO MAINTAIN REQUIRED COLLATERAL.

9 If the treasurer of state determines that a bank
10 fails to comply with chapter 12C.22, subsections 2 and
11 3, the treasurer of state may restrict that bank from
12 accepting uninsured public funds and shall notify the
13 office of thrift supervision, the office of the
14 comptroller of the currency, or the superintendent as
15 applicable, who may take such action against the bank,
16 its board of directors and officers as permitted by
17 law.

18 Sec. 94. Section 12E.12, subsection 8, Code 2003,
19 is amended to read as follows:

20 8. With respect to the payment of certain debt
21 service, the debt service to be paid shall be those
22 installments of debt service on bonds selected by the
23 treasurer of state and identified in the authority's
24 tax certificate delivered at the time of the issuance
25 of the bonds issued pursuant to this chapter, or as
26 otherwise selected by the treasurer of state. Once
27 the bonds and the installments of debt service thereon
28 are so selected, that debt service and bonds shall not
29 be paid, or provided to be paid, from any other source
30 including the state or any of its departments or
31 agencies. Provided, however, that if funds are not
32 appropriated to pay debt service on such bonds when
33 due, the issuing agency shall pay ~~such~~ the debt
34 service from any available source as provided in the
35 bond covenants ~~for such bonds~~. To the extent that
36 this section does not allow proceeds of previously
37 issued refunding bonds to be applied for the purpose
38 of the refunding, the issuing agency may expend such
39 proceeds to improve, remodel, or repair buildings or
40 other infrastructure upon authorization of the issuing
41 agency's authority.

42 Sec. 95. Section 15E.42, subsection 3, Code 2003,
43 is amended to read as follows:

44 3. "Investor" means an individual making a cash
45 investment in a qualifying business ~~or an individual~~
46 ~~taxed on income from a revocable trust's cash~~
47 ~~investment in a qualifying business~~ or a person making
48 a cash investment in a community-based seed capital
49 fund. "Investor" does not include a person which is a
50 current or previous owner, member, or shareholder in a

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1 qualifying business.

2 Sec. 96. Section 15E.43, subsection 1, paragraph
3 a, Code 2003, is amended to read as follows:

4 a. For tax years beginning on or after January 1,
5 2002, a tax credit shall be allowed against the taxes
6 imposed in chapter 422, division II, for a portion of
7 an individual taxpayer's equity investment, as
8 provided in subsection 2, in a qualifying business.
9 An individual shall not claim a tax credit under this
10 paragraph of a partnership, limited liability company,
11 S corporation, estate, or trust electing to have
12 income taxed directly to the individual. However, an
13 individual receiving income from a revocable trust's
14 investment in a qualified business may claim a tax
15 credit under this paragraph against the taxes imposed
16 in chapter 422, division II, for a portion of the
17 revocable trust's equity investment, as provided in
18 subsection 2, in a qualified business.

19 Sec. 97. Section 15E.43, subsection 1, Code 2003,
20 is amended by adding the following new paragraph:
21 NEW PARAGRAPH. d. In the case of a tax credit
22 allowed against the taxes imposed in chapter 422,
23 division II, where the taxpayer died prior to
24 redeeming the entire tax credit, the remaining credit
25 can be redeemed on the decedent's final income tax
26 return.

27 Sec. 98. Section 15E.45, subsection 2, paragraph
28 c, Code 2003, is amended to read as follows:

29 c. The fund has no fewer than ten individual
30 investors who are not affiliates, with no single
31 investor and affiliates of that investor together
32 owning a total of more than twenty-five percent of the
33 ownership interests outstanding in the fund.

34 Sec. 99. Section 15E.51, subsection 4, Code 2003,
35 is amended to read as follows:

36 4. A taxpayer shall not claim a tax credit under
37 this section if the taxpayer is a venture capital
38 investment fund allocation manager for the Iowa fund
39 of funds created in section 15E.65 or an investor that
40 receives a tax credit for ~~an~~ the same investment in a
41 community-based seed capital fund as defined in 2002
42 Iowa Acts, House File 2271.

43 Sec. 100. Section 15E.193B, subsection 4, Code
44 2003, is amended to read as follows:

45 4. The eligible housing business shall complete
46 its building or rehabilitation within two years from
47 the time the business begins construction on the
48 single-family homes and dwelling units. The failure
49 to complete construction or rehabilitation within two
50 years shall result in the eligible housing business

3 The department may extend the prescribed two-year
4 completion period for any project which has not been
5 completed if the department determines that completion
6 within the two-year period is impossible or
7 impractical as a result of a substantial loss caused
8 by flood, fire, earthquake, storm, or other
9 catastrophe. For purposes of this subsection,
10 "substantial loss" means damage or destruction in an
11 amount in excess of thirty percent of the project's
12 expected eligible basis as set forth in the eligible
13 housing business's application.

14 Sec. 101. NEW SECTION. 16.181 HOUSING TRUST
15 FUND.

16 1. a. A housing trust fund is created within the
17 authority. The moneys in the housing trust fund are
18 annually appropriated to the authority to be used for
19 the development and preservation of affordable housing
20 for low-income people in the state. Payment of
21 interest, recaptures of awards, or other repayments to
22 the housing trust fund shall be deposited in the fund.
23 Notwithstanding section 12C.7, interest or earnings on
24 moneys in the housing trust fund or appropriated to
25 the fund shall be credited to the fund.
26 Notwithstanding section 8.33, unencumbered and
27 unobligated moneys remaining in the fund at the close
28 of each fiscal year shall not revert but shall remain
29 available for expenditure for the same purposes in the
30 succeeding fiscal year.

31 b. Assets in the housing trust fund shall consist
32 of all of the following:

33 (1) Any assets received by the authority from the
34 Iowa housing corporation.

35 (2) Any assets transferred by the authority for
36 deposit in the housing trust fund.

37 (3) Any other moneys appropriated by the general
38 assembly and any other moneys available to and
39 obtained or accepted by the authority for placement in
40 the housing trust fund.

41 c. The authority shall create the following
42 programs within the housing trust fund:

43 (1) Local housing trust fund program. Sixty
44 percent of available moneys in the housing trust fund
45 shall be allocated for the local housing trust fund
46 program. Any moneys remaining in the local housing
47 trust fund program on April 1 of each fiscal year
48 which have not been awarded to a local housing trust
49 fund may be transferred to the project-based housing
50 program at any time prior to the end of the fiscal

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1 year.

2 (2) Project-based housing program. Forty percent
3 of the available moneys in the housing trust fund
4 shall be allocated to the project-based housing
5 program.

6 2. a. In order to be eligible to apply for
7 funding from the local housing trust fund program, a
8 local housing trust fund must be approved by the
9 authority and have all of the following:

10 (1) A local governing board recognized by the
11 city, county, council of governments, or regional
12 officials as the board responsible for coordinating
13 local housing programs.

14 (2) A housing assistance plan approved by the
15 authority.

16 (3) Sufficient administrative capacity in regard
17 to housing programs.

18 (4) A local match requirement approved by the
19 authority.

20 b. An award from the local housing trust fund
21 program shall not exceed ten percent of the balance in
22 the program at the beginning of the fiscal year plus
23 ten percent of any deposits made during the fiscal
24 year.

25 c. By December 31 of each year, a local housing
26 trust fund receiving moneys from the local housing
27 trust fund program shall submit a report to the
28 authority itemizing expenditures of the awarded
29 moneys.

30 3. In an area where no local housing trust fund
31 exists, a person may apply for moneys from the
32 project-based housing program.

33 4. The authority shall adopt rules pursuant to
34 chapter 17A necessary to administer this section.

35 Sec. 102. Section 25.1, Code 2003, is amended by
36 adding the following new subsection:

37 NEW SUBSECTION. 4. Notwithstanding subsections 1
38 and 2, and section 25.2, the state appeal board shall
39 not consider claims for refund of the unused portion
40 of vehicle registration fees collected under section
41 321.105.

42 Sec. 103. Section 28.9, subsection 2, Code 2003,
43 is amended to read as follows:

44 2. a. A school ready children grants account is
45 created in the Iowa empowerment fund under the
46 authority of the director of the department of
47 education. Moneys credited to the account shall be
48 distributed by the department of education in the form
49 of grants to community empowerment areas pursuant to
50 criteria established by the Iowa board in accordance

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1 with law.

2 b. The distribution formula utilized by the Iowa
3 board for school ready children grants in the fiscal
4 year beginning July 1, 2004, and for each succeeding
5 fiscal year, shall specifically incorporate the
6 following components:

7 (1) A minimum statewide performance baseline shall
8 be established for the core indicators of performance
9 identified pursuant to section 28.8, subsection 1,
10 paragraph "a".

11 (2) A community empowerment area must maintain its
12 designated status in good standing and must have
13 received continued approval of its school ready
14 children grant plan.

15 (3) The community empowerment area must identify
16 how the core indicators of performance will be
17 addressed by the area and select two or more of the
18 core indicators that will achieve a minimum percentage
19 of improvement identified by the area, subject to
20 approval by the Iowa board. The community empowerment
21 area's data for the calendar year preceding the year
22 in which the area initially received a school ready
23 children grant shall be used as the area's baseline
24 year.

25 (4) If an area achieves the identified percentage
26 level of improvement in the preceding calendar year,
27 the area's minimum grant amount shall be the
28 annualized grant amount received in the area's initial
29 year of funding. The Iowa board may implement
30 provisions for averaging the performance levels over
31 two or more years and other approaches to apply the
32 requirements of this paragraph "b" in an equitable
33 manner.

34 (5) If an area does not achieve the identified
35 percentage level of improvement in the preceding
36 calendar year, the area shall receive a reduction from
37 the area's minimum grant amount. If the identified
38 percentage level of improvement is achieved in the
39 next succeeding calendar year, the area's minimum
40 grant amount shall be restored.

41 Sec. 104. Section 29C.8, subsection 3, Code 2003,
42 is amended by adding the following new paragraphs:
43 **NEW PARAGRAPH. f. (1)** Approve and support the
44 development and ongoing operations of an urban search
45 and rescue team to be deployed as a resource to
46 supplement and enhance emergency and disaster
47 operations.

48 **(2)** A member of an urban search and rescue team
49 acting under the authority of the administrator or
50 pursuant to a governor's disaster proclamation as

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1 provided in section 29C.6 shall be considered an
2 employee of the state under chapter 669 and shall be
3 afforded protection as an employee of the state under
4 section 669.21. Disability, workers' compensation,
5 and death benefits for team members working under the
6 authority of the administrator or pursuant to the
7 provisions of section 29C.6 shall be paid by the state
8 in a manner consistent with the provisions of chapter
9 85, 410, or 411 as appropriate, depending on the
10 status of the member.

11 NEW PARAGRAPH. g. Develop, implement, and support
12 a uniform incident command system to be used by state
13 agencies to facilitate efficient and effective
14 assistance to those affected by emergencies and
15 disasters. This system shall be consistent with the
16 requirements of the United States occupational safety
17 and health administration and a national incident
18 management system.

19 Sec. 105. Section 29C.20, subsection 1, Code 2003,
20 is amended to read as follows:

21 1. a. A contingent fund is created in the state
22 treasury for the use of the executive council which
23 may be expended for the purpose of paying following
24 purposes:

25 (1) Paying the expenses of suppressing an
26 insurrection or riot, actual or threatened, when state
27 aid has been rendered by order of the governor, ~~and~~
28 ~~for repairing.~~

29 (2) Repairing, rebuilding, or restoring state
30 property injured, destroyed, or lost by fire, storm,
31 theft, or unavoidable cause, ~~and for repairing.~~

32 (3) Repairing, rebuilding, or restoring state
33 property ~~which that~~ is fiberoptic cable and ~~which that~~
34 is injured or destroyed by a wild animal, ~~and for aid~~
35 ~~to.~~

36 (4) Paying the expenses incurred by and claims of
37 an urban search and rescue team when acting under the
38 authority of the administrator and the provisions of
39 section 29C.6 and disaster medical assistance teams
40 when acting under the provisions of section 135.153.

41 (5) (a) Aiding any governmental subdivision in an
42 area declared by the governor to be a disaster area
43 due to natural disasters or to expenditures
44 necessitated by the governmental subdivision toward
45 averting or lessening the impact of the potential
46 disaster, where the effect of the disaster or action
47 on the governmental subdivision is the immediate
48 financial inability to meet the continuing
49 requirements of local government.

50 (b) Upon application by a governmental subdivision

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1 in such an area, accompanied by a showing of
2 obligations and expenditures necessitated by an actual
3 or potential disaster in a form and with further
4 information the executive council requires, the aid
5 may be made in the discretion of the executive council
6 and, if made, shall be in the nature of a loan up to a
7 limit of seventy-five percent of the showing of
8 obligations and expenditures. The loan, without
9 interest, shall be repaid by the maximum annual
10 emergency levy authorized by section 24.6, or by the
11 appropriate levy authorized for a governmental
12 subdivision not covered by section 24.6. The
13 aggregate total of loans shall not exceed one million
14 dollars during a fiscal year. A loan shall not be for
15 an obligation or expenditure occurring more than two
16 years previous to the application.

17 b. When a state department or agency requests that
18 moneys from the contingent fund be expended to repair,
19 rebuild, or restore state property injured, destroyed,
20 or lost by fire, storm, theft, or unavoidable cause,
21 or to repair, rebuild, or restore state property ~~which~~
22 that is fiberoptic cable and which that is injured or
23 destroyed by a wild animal, or for payment of the
24 expenses incurred by and claims of an urban search and
25 rescue team when acting under the authority of the
26 administrator and the provisions of section 29C.6, the
27 executive council shall consider the original source
28 of the funds for acquisition of the property before
29 authorizing the expenditure. If the original source
30 was other than the general fund of the state, the
31 department or agency shall be directed to utilize
32 moneys from the original source if possible. The
33 executive council shall not authorize the repairing,
34 rebuilding, or restoring of the property from the
35 disaster aid contingent fund if it determines that
36 moneys from the original source are available to
37 finance the project.

38 Sec. 106. Section 80B.5, Code 2003, is amended to
39 read as follows:

40 80B.5 ADMINISTRATION.

41 The administration of the Iowa law enforcement
42 academy and council Act shall be vested in the office
43 of the governor. ~~A director of the academy and such~~
44 ~~staff~~ Staff as may be necessary for it ~~the law~~
45 ~~enforcement academy~~ to function shall be employed
46 pursuant to the Iowa merit system.

47 Sec. 107. NEW SECTION. 80B.5A DIRECTOR.

48 The governor shall appoint the director of the Iowa
49 law enforcement academy, subject to senate
50 confirmation, to a four-year term beginning and ending

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1 as provided in section 69.19.

2 Sec. 108. Section 99G.9, subsection 3, paragraph
3 j, if enacted by 2003 Iowa Acts, Senate File 453, is
4 amended by striking the paragraph.

5 Sec. 109. Section 99G.40, subsection 5, if enacted
6 by 2003 Iowa Acts, Senate File 453, is amended to read
7 as follows:

8 5. The authority shall adopt the same fiscal year
9 as that used by state government and shall be audited
10 annually by the auditor of state or a certified public
11 accounting firm appointed by the auditor. The auditor
12 of state or a designee conducting an audit under this
13 chapter shall have access and authority to examine any
14 and all records of licensees necessary to determine
15 compliance with this chapter and the rules adopted
16 pursuant to this chapter. The cost of audits and
17 examinations conducted by the auditor of state or a
18 designee shall be paid for by the authority.

19 Sec. 110. NEW SECTION. 174.24 LIABILITY OF
20 COUNTY FAIR SOCIETY.

21 A society, as defined in section 174.1, shall be
22 immune from liability for any damages incurred at a
23 county fair held by the society if the damages were
24 incurred on or at an exhibit, leased facility,
25 amusement ride, or an activity not under the control
26 of the society, if the county fair requires the vendor
27 in control of the exhibit, leased facility, amusement
28 ride, or other activity to obtain liability insurance
29 of at least three hundred thousand dollars. An
30 officer or employee of a society, as defined in
31 section 174.1, shall not be held liable for punitive
32 damages as a result of acts in the performance of the
33 officer's or employee's duties, unless reckless
34 misconduct is proven.

35 Sec. 111. Section 257.11, subsection 5, paragraph
36 b, Code 2003, is amended to read as follows:

37 b. A school district which establishes a regional
38 academy shall be eligible to assign its resident
39 pupils attending classes at the academy a weighting of
40 one-tenth of the percentage of the pupil's school day
41 during which the pupil attends classes at the regional
42 academy. For the purposes of this subsection,
43 "regional academy" means an educational institution
44 established by a school district to which multiple
45 schools send pupils in grades ~~seven~~ nine through
46 twelve, and may include a virtual academy. A regional
47 academy shall include in its curriculum advanced-level
48 courses and may include in its curriculum vocational-
49 technical ~~programs~~ courses. The maximum amount of
50 additional weighting for which a school district

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1 establishing a regional academy shall be eligible is
2 an amount corresponding to fifteen additional pupils.
3 The minimum amount of additional weighting for which a
4 school district establishing a regional academy shall
5 be eligible is an amount corresponding to ten
6 additional pupils if the academy provides both
7 advanced-level courses and vocational technical
8 courses. However, if the sum of the funding amount
9 calculated for all districts operating regional
10 academies under this subsection exceeds one million
11 dollars for the school year beginning July 1, 2004,
12 and each succeeding fiscal year, the director of the
13 department of management shall prorate the amount
14 calculated for each district. The proration shall be
15 based upon the amount calculated for each district
16 when compared to the sum of the amount for all
17 districts.

18 Sec. 112. Section 260C.14, Code 2003, is amended
19 by adding the following new subsection:

20 NEW SUBSECTION. 20. Adopt a policy to offer not
21 less than the following options to a student who is a
22 member of the Iowa national guard or reserve forces of
23 the United States and who is ordered to active state
24 service or federal service or duty:

25 a. Withdraw from the student's entire registration
26 and receive a full refund of tuition and mandatory
27 fees.

28 b. Make arrangements with the student's
29 instructors for course grades, or for incompletes that
30 shall be completed by the student at a later date. If
31 such arrangements are made, the student's registration
32 shall remain intact and tuition and mandatory fees
33 shall be assessed for the courses in full.

34 c. Make arrangements with only some of the
35 student's instructors for course grades, or for
36 incompletes that shall be completed by the student at
37 a later date. If such arrangements are made, the
38 registration for those courses shall remain intact and
39 tuition and mandatory fees shall be assessed for those
40 courses. Any course for which arrangements cannot be
41 made for grades or incompletes shall be considered
42 dropped and the tuition and mandatory fees for the
43 course refunded.

44 Sec. 113. Section 261.9, subsection 1, unnumbered
45 paragraph 1, Code 2003, is amended to read as follows:
46 "Accredited private institution" means an
47 institution of higher learning located in Iowa which
48 is operated privately and not controlled or
49 administered by any state agency or any subdivision of
50 the state, except for county hospitals as provided in

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1 paragraph "c" of this subsection, and which meets at
2 least one of the criteria in paragraphs "a" through
3 "c" and all of the criteria in paragraphs "d" through
4 ~~"f"~~ "g":

5 Sec. 114. Section 261.9, subsection 1, Code 2003,
6 is amended by adding the following new paragraph:
7 NEW PARAGRAPH. g. Adopts a policy to offer not
8 less than the following options to a student who is a
9 member of the Iowa national guard or reserve forces of
10 the United States and who is ordered to active state
11 service or federal service or duty:

12 (1) Withdraw from the student's entire
13 registration and receive a full refund of tuition and
14 mandatory fees.

15 (2) Make arrangements with the student's
16 instructors for course grades, or for incompletes that
17 shall be completed by the student at a later date. If
18 such arrangements are made, the student's registration
19 shall remain intact and tuition and mandatory fees
20 shall be assessed for the courses in full.

21 (3) Make arrangements with only some of the
22 student's instructors for grades, or for incompletes
23 that shall be completed by the student at a later
24 date. If such arrangements are made, the registration
25 for those courses shall remain intact and tuition and
26 mandatory fees shall be assessed for those courses.
27 Any course for which arrangements cannot be made for
28 grades or incompletes shall be considered dropped and
29 the tuition and mandatory fees for the course
30 refunded.

31 Sec. 115. Section 262.9, Code 2003, is amended by
32 adding the following new subsection:

33 NEW SUBSECTION. 29. Direct the institutions of
34 higher education under its control to adopt a policy
35 to offer not less than the following options to a
36 student who is a member of the Iowa national guard or
37 reserve forces of the United States and who is ordered
38 to active state service or federal service or duty:

39 a. Withdraw from the student's entire registration
40 and receive a full refund of tuition and mandatory
41 fees.

42 b. Make arrangements with the student's
43 instructors for course grades, or for incompletes that
44 shall be completed by the student at a later date. If
45 such arrangements are made, the student's registration
46 shall remain intact and tuition and mandatory fees
47 shall be assessed for the courses in full.

48 c. Make arrangements with only some of the
49 student's instructors for grades, or for incompletes
50 that shall be completed by the student at a later

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1 date. If such arrangements are made, the registration
2 for those courses shall remain intact and tuition and
3 mandatory fees shall be assessed for those courses.
4 Any course for which arrangements cannot be made for
5 grades or incompletes shall be considered dropped and
6 the tuition and mandatory fees for the course
7 refunded.

8 Sec. 116. Section 284.13, subsection 1, paragraph
9 a, Code 2003, is amended to read as follows:

10 a. For each fiscal year in the fiscal year period
11 beginning July 1, 2001 2003, and ending June 30, 2002
12 2005, the department shall reserve up to ~~one million~~
13 five hundred thousand dollars of any moneys
14 appropriated for purposes of this chapter. For each
15 fiscal year in which moneys are appropriated by the
16 general assembly for purposes of team-based variable
17 pay pursuant to section 284.11, the amount of moneys
18 allocated to school districts shall be in the
19 proportion that the basic enrollment of a school
20 district bears to the sum of the basic enrollments of
21 all participating school districts for the budget
22 year. However, the per pupil amount distributed to a
23 school district under the pilot program shall not
24 exceed one hundred dollars.

25 Sec. 117. Section 284.13, subsection 1, paragraph
26 g, unnumbered paragraph 1, Code 2003, is amended to
27 read as follows:

28 For each fiscal year in which funds are
29 appropriated for purposes of this chapter, the moneys
30 remaining after distribution as provided in paragraphs
31 "a" through "f" and "h" shall be allocated to school
32 districts for salaries and career development in
33 accordance with the following formula:

34 Sec. 118. Section 294A.25, subsection 6, Code
35 2003, is amended by striking the subsection.

36 Sec. 119. Section 294A.25, subsections 7, 8, and
37 9, Code 2003, are amended to read as follows:

38 7. For Except as otherwise provided in this
39 section, for the fiscal year beginning July 1, 1990
40 2003, and succeeding fiscal years, the remainder of
41 moneys appropriated in subsection 1 to the department
42 of education shall be deposited in the educational
43 excellence fund to be allocated in an amount to meet
44 the minimum salary requirements of this chapter for and
45 phase I, in an amount to meet the requirements for and
46 phase II, and the remainder of the appropriation for
47 phase III.

48 8. Commencing with the fiscal year beginning July
49 1, ~~1997~~ 2003, the amount of two hundred thirty
50 thousand dollars for a kindergarten to grade twelve

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1 management information system ~~from additional funds~~
2 ~~transferred from phase I to phase III.~~

3 9. For the fiscal year beginning July 1, 2000
4 2003, and for each succeeding fiscal year, the amount
5 of one hundred seventy thousand dollars to the state
6 board of regents for distribution in the amount of
7 sixty-eight thousand dollars to the Iowa braille and
8 sight saving school and in the amount of one hundred
9 two thousand dollars to the Iowa state school for the
10 ~~deaf from phase III moneys.~~

11 Sec. 120. Section 321J.2, subsection 2, paragraph
12 a, subparagraph (3), subparagraph subdivisions (a) and
13 (b), as enacted by 2003 Iowa Acts, House File 65,
14 section 2, are amended to read as follows:

15 (a) A defendant whose alcohol concentration is .08
16 or more but not more than .10 shall not be eligible
17 for any temporary restricted license for at least
18 thirty days if a test was obtained and an accident
19 resulting in personal injury or property damage
20 occurred. The defendant shall be ordered to install
21 an ignition interlock device of a type approved by the
22 commissioner of public safety on all vehicles owned or
23 operated by the defendant if the defendant seeks a
24 temporary restricted license. There shall be no such
25 period of ineligibility if no such accident occurred,
26 and the defendant shall not be ordered to install an
27 ignition interlock device.

28 (b) A defendant whose alcohol concentration is
29 more than .10 shall not be eligible for any temporary
30 restricted license for at least thirty days if a test
31 was obtained, and an accident resulting in personal
32 injury or property damage occurred or the defendant's
33 alcohol concentration exceeded .15. There shall be no
34 such period of ineligibility if no such accident
35 occurred and the defendant's alcohol concentration did
36 not exceed .15. In either case, where a defendant's
37 alcohol concentration is more than .10, the defendant
38 shall be ordered to install an ignition interlock
39 device of a type approved by the commissioner of
40 public safety on all vehicles owned or operated by the
41 defendant if the defendant seeks a temporary
42 restricted license.

43 Sec. 121. Section 321J.4, subsection 1, paragraphs
44 a and b, as enacted by 2003 Iowa Acts, House File 65,
45 section 3, are amended to read as follows:

46 a. A defendant whose alcohol concentration is .08
47 or more but not more than .10 shall not be eligible
48 for any temporary restricted license for at least
49 thirty days if a test was obtained and an accident
50 resulting in personal injury or property damage

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1 occurred. The defendant shall be ordered to install
2 an ignition interlock device of a type approved by the
3 commissioner of public safety on all vehicles owned or
4 operated by the defendant if the defendant seeks a
5 temporary restricted license. There shall be no such
6 period of ineligibility if no such accident occurred,
7 and the defendant shall not be ordered to install an
8 ignition interlock device.

9 b. A defendant whose alcohol concentration is more
10 than .10 shall not be eligible for any temporary
11 restricted license for at least thirty days if a test
12 was obtained, and an accident resulting in personal
13 injury or property damage occurred or the defendant's
14 alcohol concentration exceeded .15. There shall be no
15 such period of ineligibility if no such accident
16 occurred and the defendant's alcohol concentration did
17 not exceed .15. In either case, where a defendant's
18 alcohol concentration is more than .10, the defendant
19 shall be ordered to install an ignition interlock
20 device of a type approved by the commissioner of
21 public safety on all vehicles owned or operated by the
22 defendant if the defendant seeks a temporary
23 restricted license.

24 Sec. 122. Section 321J.4, subsection 3, paragraphs
25 a and b, as enacted by 2003 Iowa Acts, House File 65,
26 section 3, are amended to read as follows:

27 a. A defendant whose alcohol concentration is .08
28 or more but not more than .10 shall not be eligible
29 for any temporary restricted license for at least
30 thirty days if a test was obtained and an accident
31 resulting in personal injury or property damage
32 occurred. The defendant shall be ordered to install
33 an ignition interlock device of a type approved by the
34 commissioner of public safety on all vehicles owned or
35 operated by the defendant if the defendant seeks a
36 temporary restricted license. There shall be no such
37 period of ineligibility if no such accident occurred,
38 and the defendant shall not be ordered to install an
39 ignition interlock device.

40 b. A defendant whose alcohol concentration is more
41 than .10 shall not be eligible for any temporary
42 restricted license for at least thirty days if a test
43 was obtained, and an accident resulting in personal
44 injury or property damage occurred or the defendant's
45 alcohol concentration exceeded .15. There shall be no
46 such period of ineligibility if no such accident
47 occurred and the defendant's alcohol concentration did
48 not exceed .15. In either case, where a defendant's
49 alcohol concentration is more than .10, the defendant
50 shall be ordered to install an ignition interlock

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1 device of a type approved by the commissioner of
2 public safety on all vehicles owned or operated by the
3 defendant if the defendant seeks a temporary
4 restricted license.

5 Sec. 123. Section 321J.12, subsection 2,
6 paragraphs a and b, as enacted by 2003 Iowa Acts,
7 House File 65, section 5, are amended to read as
8 follows:

9 a. A person whose driver's license or nonresident
10 operating privileges have been revoked under
11 subsection 1, paragraph "a", whose alcohol
12 concentration is .08 or more but not more than .10
13 shall not be eligible for any temporary restricted
14 license for at least thirty days after the effective
15 date of the revocation if a test was obtained and an
16 accident resulting in personal injury or property
17 damage occurred. The defendant shall be ordered to
18 install an ignition interlock device of a type
19 approved by the commissioner of public safety on all
20 vehicles owned or operated by the defendant if the
21 defendant seeks a temporary license. There shall be
22 no such period of ineligibility if no such accident
23 occurred, and the defendant shall not be ordered to
24 install an ignition interlock device.

25 b. A defendant whose alcohol concentration is more
26 than .10 shall not be eligible for any temporary
27 restricted license for at least thirty days if a test
28 was obtained, and an accident resulting in personal
29 injury or property damage occurred or the defendant's
30 alcohol concentration exceeded .15. There shall be no
31 such period of ineligibility if no such accident
32 occurred and the defendant's alcohol concentration did
33 not exceed .15. In either case, where a defendant's
34 alcohol concentration is more than .10, the defendant
35 shall be ordered to install an ignition interlock
36 device of a type approved by the commissioner of
37 public safety on all vehicles owned or operated by the
38 defendant if the defendant seeks a temporary
39 restricted license.

40 Sec. 124. Section 331.605C, subsections 1 and 2,
41 if enacted by 2003 Iowa Acts, Senate File 453, are
42 amended to read as follows:

43 1. For the fiscal year beginning July 1, 2003, and
44 ending June 30, 2004, the recorder shall collect a fee
45 of five dollars for each recorded transaction,
46 regardless of the number of pages, for which a fee is
47 paid pursuant to section 331.604 to be used for the
48 purposes of planning and implementing electronic
49 recording and electronic transactions in each county
50 and developing county and statewide internet websites

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1 to provide electronic access to records and
2 information.

3 2. Beginning July 1, 2004, the recorder shall
4 collect a fee of one dollar for each recorded
5 transaction, regardless of the number of pages, for
6 which a fee is paid pursuant to section 331.604 to be
7 used for the purpose of paying the county's ongoing
8 costs of maintaining the systems developed and
9 implemented under subsection 1.

10 Sec. 125. Section 331.605C, subsection 4, if
11 enacted by 2003 Iowa Acts, Senate File 453, is amended
12 to read as follows:

13 4. The state local electronic government
14 ~~electronic~~ transaction fund is established in the
15 office of the treasurer of state under the control of
16 the treasurer of state. Moneys deposited into the
17 fund are not subject to section 8.33. Notwithstanding
18 section 12C.7, interest or earnings on moneys in the
19 state local electronic government ~~electronic~~
20 transaction fund shall be credited to the fund.
21 Moneys in the state local electronic government
22 ~~electronic~~ transaction fund are not subject to
23 transfer, appropriation, or reversion to any other
24 fund, or any other use except as provided in this
25 subsection. The treasurer of state shall enter into a
26 contract with the Iowa state association of counties
27 affiliate representing county recorders to ~~develop,~~
28 ~~implement, and maintain~~ hold the fund for the
29 development, implementation, and maintenance of a
30 statewide internet website for purposes of providing
31 electronic access to records and information recorded
32 or filed by county recorders. On a monthly basis, the
33 county treasurer shall pay one dollar of each fee
34 collected pursuant to subsection 1 to the treasurer of
35 state for deposit into the state local electronic
36 government ~~electronic~~ transaction fund. Moneys
37 credited to the state local electronic government
38 ~~electronic~~ transaction fund are appropriated to the
39 treasurer of state to be used for contract costs.

40 This subsection is repealed June 30, 2004.

41 Sec. 126. Section 422.45, Code 2003, is amended by
42 adding the following new subsection:

43 NEW SUBSECTION. 64. The gross receipts from
44 noncustomer point of sale or noncustomer automated
45 teller machine access or service charges assessed by a
46 financial institution. For purposes of this
47 subsection, "financial institution" means the same as
48 defined in section 527.2.

49 Sec. 127. Section 423.4, Code 2003, is amended by
50 adding the following new subsection:

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1 NEW SUBSECTION. 9A. Vehicles subject to
2 registration which are transferred from a corporation
3 that is primarily engaged in the business of leasing
4 vehicles subject to registration to a corporation that
5 is primarily engaged in the business of leasing
6 vehicles subject to registration when the transferor
7 and transferee corporations are part of the same
8 controlled group for federal income tax purposes.

9 Sec. 128. Section 435.26A, subsections 2 and 5, as
10 enacted by 2003 Iowa Acts, Senate File 134, section 7,
11 are amended to read as follows:

12 2. Upon receipt of a certificate of title from a
13 manufactured home owner, a county treasurer shall
14 notify the department of transportation that the
15 certificate of title has been surrendered, remove the
16 registration of title from the county treasurer's
17 records, and destroy the certificate of title.

18 The manufactured home owner or the owner's
19 representative shall provide to the county recorder
20 the identifying data of the manufactured home,
21 including the owner's name, the name of the
22 manufacturer, the model name, the year of manufacture,
23 and the serial number of the home, along with the
24 legal description of the real estate on which the
25 manufactured home is located. In addition, evidence
26 shall be provided of the surrender of the certificate
27 of title. After the surrender of the certificate of
28 title of a manufactured home under this section,
29 conveyance of an interest in the manufactured home
30 shall not require transfer of title so long as the
31 manufactured home remains on the same real estate
32 site.

33 5. An owner of a manufactured home who has
34 surrendered a certificate of title under this section
35 and requires another certificate of title for the
36 manufactured home is required to apply for a bonded
37 certificate of title under ~~chapter 321~~ section 321.42.
38 If supporting documents for the reissuance of a title
39 are not available or sufficient, the procedure for the
40 reissuance of a title specified in the rules of the
41 department of transportation shall be used.

42 Sec. 129. Section 452A.2, Code 2003, is amended by
43 adding the following new subsection:

44 NEW SUBSECTION. 20A. "Nonterminal storage
45 facility" means a facility where motor fuel or special
46 fuel, other than liquefied petroleum gas, is stored
47 that is not supplied by a pipeline or a marine vessel.
48 "Nonterminal storage facility" includes a facility
49 that manufactures products such as alcohol, biofuel,
50 blend stocks, or additives which may be used as motor

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1 fuel or special fuel, other than liquefied petroleum
2 gas, for operating motor vehicles or aircraft.
3 Sec. 130. Section 453A.2, Code 2003, is amended by
4 adding the following new subsection:
5 **NEW SUBSECTION. 5B.** A tobacco compliance employee
6 training fund is created in the office of the
7 treasurer of state. The fund shall consist of civil
8 penalties assessed by the Iowa department of public
9 health under section 453A.22, for violations of this
10 section. Moneys in the fund are appropriated to the
11 alcoholic beverages division of the department of
12 commerce and shall be used to develop and administer
13 the tobacco compliance employee training program under
14 section 453A.2A. Moneys deposited in the fund shall
15 not be transferred, used, obligated, appropriated, or
16 otherwise encumbered except as provided in this
17 subsection. Notwithstanding section 8.33, any
18 unexpended balance in the fund at the end of the
19 fiscal year shall be retained in the fund.
20 Sec. 131. Section 453C.1, subsection 10, Code
21 2003, is amended to read as follows:
22 10. "Units sold" means the number of individual
23 cigarettes sold in the state by the applicable tobacco
24 product manufacturer, whether directly or through a
25 distributor, retailer, or similar intermediary or
26 intermediaries, during the year in question, as
27 measured by excise taxes collected by the state on
28 packs or roll-your-own tobacco containers ~~bearing the~~
29 ~~excise tax stamp of the state.~~ The department of
30 revenue and finance shall adopt rules as are necessary
31 to ascertain the amount of state excise tax paid on
32 the cigarettes of such tobacco product manufacturer
33 for each year.
34 Sec. 132. Section 453C.2, subsection 2, paragraph
35 b, subparagraph (2), Code 2003, is amended to read as
36 follows:
37 (2) To the extent that a tobacco product
38 manufacturer establishes that the amount the
39 manufacturer was required to place into escrow on
40 account of units sold in the state in a particular
41 year was greater than ~~the state's allocable share of~~
42 ~~the total payments that such manufacturer would have~~
43 ~~been required to make in that year under the master~~
44 ~~settlement agreement the master settlement agreement~~
45 payments, as determined pursuant to section IX(i) of
46 that agreement including after final determination of
47 all adjustments, that such manufacturer would have
48 been required to make on account of such units sold
49 had such manufacturer been a participating
50 manufacturer, as such payments are determined pursuant

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1 to section IX(1)(2) of the master settlement agreement
2 and before any of the adjustments or offsets described
3 in section IX(4)(3) of that agreement other than the
4 inflation adjustment, the excess shall be released
5 from escrow and revert back to such tobacco product
6 manufacturer.

7 Sec. 133. Section 455D.9, Code 2003, is amended by
8 adding the following new subsection:

9 NEW SUBSECTION. 1A. Yard waste may be accepted by
10 a sanitary landfill for land disposal if the sanitary
11 landfill operates an active methane collection system
12 that produces electricity.

13 Sec. 134. Section 476.33, Code 2003, is amended by
14 adding the following new subsection:

15 NEW SUBSECTION. 5. a. The board shall adopt
16 rules that require the board, in a rate regulatory
17 proceeding under sections 476.3 and 476.6, to consider
18 both of the following for inclusion in rates:

19 (1) Capital infrastructure investments that will
20 not produce significant additional revenues and will
21 be in service in Iowa within nine months after the
22 conclusion of the test year.

23 (2) Cost of capital changes that will occur within
24 nine months after the conclusion of the test year that
25 are associated with a new generating plant that has
26 been the subject of a ratemaking principles proceeding
27 pursuant to section 476.53.

28 b. This subsection is repealed effective July 1,
29 2007. However, any utilities board proceeding that is
30 pending on July 1, 2007, that is being conducted
31 pursuant to section 476.3 or 476.6 shall be completed
32 as if this section had not been repealed. Upon
33 repeal, the board may still consider the adjustments
34 addressed in this subsection, but shall not be
35 required to consider them.

36 Sec. 135. Section 505.7, Code 2003, is amended by
37 adding the following new subsection:

38 NEW SUBSECTION. 9. The commissioner may retain
39 funds collected during the fiscal year beginning July
40 1, 2003, pursuant to any settlement, enforcement
41 action, or other legal action authorized under federal
42 or state law for the purpose of reimbursing costs and
43 expenses of the division.

44 Sec. 136. Section 518.18, unnumbered paragraph 2,
45 Code 2003, is amended to read as follows:

46 1. ~~Two~~ The applicable percent of the gross amount
47 of premiums received during the preceding calendar
48 year, after deducting the amount returned upon the
49 canceled policies, certificates, and rejected
50 applications; and after deducting premiums paid for

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1 windstorm or hail reinsurance on properties
2 specifically reinsured; ~~provided, however, that~~
3 However, the reinsurer of such windstorm or hail risks
4 shall pay ~~two~~ the applicable percent of the gross
5 amount of reinsurance premiums received upon such
6 risks after deducting the amounts returned upon
7 canceled policies, certificates, and rejected
8 applications. For purposes of this section,
9 "applicable percent" means the same as specified in
10 section 432.1, subsection 4.

11 2. Except as provided in subsection 3, the premium
12 tax shall be paid on or before March 1 of the year
13 following the calendar year for which the tax is due.
14 The commissioner of insurance may suspend the
15 certificate of authority of a county mutual insurance
16 association that fails to pay its premium tax on or
17 before the due date.

18 3. a. Each county mutual insurance association
19 transacting business in this state whose Iowa premium
20 tax liability for the preceding calendar year was one
21 thousand dollars or more shall remit on or before June
22 1, on a prepayment basis, an amount equal to one-half
23 of the premium tax liability for the preceding
24 calendar year.

25 b. In addition to the prepayment amount in
26 paragraph "a", each association shall remit on or
27 before June 30, on a prepayment basis, an additional
28 amount equal to the following percent of the premium
29 tax liability for the preceding calendar year as
30 follows:

31 (1) For prepayment in the 2003 and 2004 calendar
32 years, eleven percent.

33 (2) For prepayment in the 2005 calendar year,
34 twenty-six percent.

35 (3) For prepayment in the 2006 and subsequent
36 calendar years, fifty percent.

37 c. The sums prepaid by a county mutual insurance
38 association under this subsection shall be allowed as
39 credits against its premium tax liability for the
40 calendar year during which the payments are made. If
41 a prepayment made under this subsection exceeds the
42 annual premium tax liability, the excess shall be
43 allowed as a credit against subsequent prepayment or
44 tax liabilities. The commissioner of insurance may
45 suspend the certificate of authority of an association
46 that fails to make a prepayment on or before the due
47 date.

48 Sec. 137. Section 518A.35, Code 2003, is amended
49 to read as follows:

50 518A.35 ANNUAL TAX.

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1 1. A state mutual insurance association doing
2 business under this chapter shall on or before the
3 first day of March, each year, pay to the director of
4 revenue and finance, or a depository designated by the
5 director, a sum equivalent to ~~two~~ the applicable
6 percent of the gross receipts from premiums and fees
7 for business done within the state, including all
8 insurance upon property situated in the state without
9 including or deducting any amounts received or paid
10 for reinsurance. However, a company reinsuring
11 windstorm or hail risks written by county mutual
12 insurance associations is required to pay ~~a two~~ the
13 applicable percent tax on the gross amount of
14 reinsurance premiums received upon such risks, but
15 after deducting the amount returned upon canceled
16 policies and rejected applications covering property
17 situated within the state, and dividends returned to
18 policyholders on property situated within the state.
19 For purposes of this section, "applicable percent"
20 means the same as specified in section 432.1,
21 subsection 4.

22 2. Except as provided in subsection 3, the premium
23 tax shall be paid on or before March 1 of the year
24 following the calendar year for which the tax is due.
25 The commissioner of insurance may suspend the
26 certificate of authority of a state mutual insurance
27 association that fails to pay its premium tax on or
28 before the due date.

29 3. a. Each state mutual insurance association
30 transacting business in this state whose Iowa premium
31 tax liability for the preceding calendar year was one
32 thousand dollars or more shall remit on or before June
33 1, on a prepayment basis, an amount equal to one-half
34 of the premium tax liability for the preceding
35 calendar year.

36 b. In addition to the prepayment amount in
37 paragraph "a", each association shall remit on or
38 before June 30, on a prepayment basis, an additional
39 amount equal to the following percent of the premium
40 tax liability for the preceding calendar year as
41 follows:

42 (1) For prepayment in the 2003 and 2004 calendar
43 years, eleven percent.

44 (2) For prepayment in the 2005 calendar year,
45 twenty-six percent.

46 (3) For prepayment in the 2006 and subsequent
47 calendar years, fifty percent.

48 c. The sums prepaid by a state mutual insurance
49 association under this subsection shall be allowed as
50 credits against its premium tax liability for the

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1 calendar year during which the payments are made. If
2 a prepayment made under this subsection exceeds the
3 annual premium tax liability, the excess shall be
4 allowed as a credit against subsequent prepayment or
5 tax liabilities. The commissioner of insurance may
6 suspend the certificate of authority of an association
7 that fails to make a prepayment on or before the due
8 date.

9 Sec. 138. 2003 Iowa Acts, Senate File 453, section
10 30, if enacted, is amended by striking the section and
11 inserting in lieu thereof the following:

12 SEC. 30. CHARGE FOR RENT. For the fiscal year
13 beginning July 1, 2003, and ending June 30, 2004, the
14 department of administrative services, if established
15 in 2003 Iowa Acts, House File 534, shall transfer
16 \$900,000 to the general fund of the state from the
17 rent fund if established under section 8A.123 in 2003
18 Iowa Acts, House File 534.

19 Sec. 139. 2003 Iowa Acts, Senate File 453, section
20 35, if enacted, is amended to read as follows:

21 SEC. 35. CHARTER AGENCY APPROPRIATIONS.

22 1. Notwithstanding any provision of law to the
23 contrary, the total operating appropriations
24 reductions as allowed under section 7J.1 from the
25 general fund of the state to those departments and
26 agencies designated as charter agencies and additional
27 revenue to the general fund of the state attributed to
28 the reinvention process as determined by the
29 department of management above that already committed
30 to the general fund of the state generated for the
31 fiscal year beginning July 1, 2003, and ending June
32 30, 2004, as provided by the appropriation to those
33 agencies as enacted by the Eightieth General Assembly,
34 2003 Regular Session, shall be reduced by total
35 \$15,000,000. The department of management shall apply
36 the appropriation reductions, with a target of a 10
37 percent reduction for each charter agency, as
38 necessary to which along with additional generated
39 revenue shall achieve the overall reduction amount and
40 shall make this information available to the
41 legislative fiscal committee and the legislative
42 fiscal bureau. It is the intent of the general
43 assembly that appropriations to a charter agency in
44 subsequent fiscal years shall be similarly adjusted
45 from the appropriation that would otherwise have been
46 enacted.

47 2. There is appropriated from the general fund of
48 the state to the department of management for the
49 fiscal year beginning July 1, 2003, and ending June
50 30, 2004, the following amount, or so much thereof as

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1 is necessary, to be used for the purposes designated:
2 For deposit in the charter agency ~~loan~~ grant fund
3 created in section 7J.2:
4 \$ 3,000,000
5 ~~3. For the fiscal year beginning July 1, 2003, and~~
6 ~~ending June 30, 2004, if the actual amount of revenue~~
7 ~~received by a charter agency exceeds the revenue~~
8 ~~amount budgeted for that charter agency by the~~
9 ~~governor and the general assembly, the charter agency~~
10 ~~may consider the excess amount to be repayment~~
11 ~~receipts as defined in section 8.2.~~
12 Sec. 140. Notwithstanding section 8.33,
13 unencumbered and unobligated funds remaining from the
14 appropriation made in 1996 Iowa Acts, chapter 1218,
15 section 13, subsection 2, paragraph "a", subparagraph
16 (2), as amended by 1997 Iowa Acts, chapter 215,
17 section 3, and from the appropriation made in 1997
18 Iowa Acts, chapter 215, section 4, subsection 1, shall
19 not revert but shall be available for the purposes
20 designated in those provisions until the close of the
21 fiscal year beginning July 1, 2003.
22 Sec. 141. 2003 Iowa Acts, Senate File 453, section
23 49, subsection 1, unnumbered paragraph 1, if enacted,
24 is amended to read as follows:
25 The department of human services shall establish a
26 work group in cooperation with representatives of the
27 insurance industry and members of the medical
28 assistance advisory council to develop a plan for the
29 redesign of the medical assistance program. In
30 developing the redesign plan, the work group shall
31 consider all of the following:
32 Sec. 142. 2003 Iowa Acts, Senate File 453, section
33 121, if enacted, is amended to read as follows:
34 SEC. 121. EFFECTIVE DATE. This division of this
35 Act, creating the Iowa lottery authority, takes effect
36 September July 1, 2003.
37 Sec. 143. Sections 266.8, 266.24, 266.25, and
38 266.26, Code 2003, are repealed.
39 Sec. 144. REPORT ON FEDERAL ELECTION LAW
40 IMPLEMENTATION. The state committee, if formed, shall
41 develop a plan for compliance with the federal Help
42 America Vote Act, Pub. L. No. 107-252, and the state
43 committee, in conjunction with the state commissioner
44 of elections, shall provide quarterly updates to the
45 Senate and House of Representatives standing
46 committees on government oversight on the status of
47 the implementation of Pub. L. No. 107-252.
48 Sec. 145. SALE OF DEPARTMENT OF CORRECTIONS' REAL
49 PROPERTY.
50 1. Immediately after the effective date of this

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1 section, the department of corrections shall develop a
2 plan to sell, at market value, the twenty-acre tract
3 of undeveloped land adjacent to the Iowa correctional
4 institution for women to any municipality with a
5 population of less than twenty thousand persons. The
6 plan shall include the sale of the tract of land
7 within a commercially reasonable time. The sale shall
8 be negotiated by the department and shall be handled
9 in a manner that is financially beneficial to the
10 department. The department shall as a condition of
11 the sale to the municipality require that the land not
12 be sold by the municipality for a period of ninety-
13 nine years unless the land is resold back to the
14 state. Appraisals conducted by the department of the
15 value of the land shall be made available to the
16 public immediately following the sale of the tract of
17 land. If the department is unable to negotiate a
18 financially beneficial sale, the tract of land shall
19 not be sold, and the department shall provide the
20 legislative fiscal bureau with the reasons the sale
21 did not occur.

22 2. The proceeds from the sale of the property as
23 provided in subsection 1 shall be retained by the
24 department of corrections to be used for correctional
25 facilities. The costs incident to the sale of the
26 tract of land including, but not limited to,
27 appraisals, invitations for offers, abstracts, and
28 other necessary costs, may be paid from the proceeds
29 of the sale or from moneys appropriated for support
30 and maintenance to the institution at which the real
31 estate is located.

32 3. The provisions of section 904.317 shall not
33 apply to the sale of the tract of land sold in
34 accordance with this section.

35 Sec. 146. SALES AND USE TAX REFUND.

36 1. Notwithstanding the one-year application period
37 provided for in section 422.45, subsection 7,
38 paragraph "b", an application by a city with a
39 population between 550 and 625 located entirely in a
40 county with a population between 39,750 and 41,750 for
41 a refund of sales, services, or use tax paid upon any
42 goods, wares, or merchandise, or services rendered,
43 furnished, or performed and used in the performance of
44 contracts involving a street construction project and
45 a sewer project is considered timely filed under
46 section 422.45, subsection 7, if the application for
47 refund is filed with the department of revenue and
48 finance on or before August 1, 2003.

49 2. Notwithstanding the amount applied for under
50 subsection 1, the amount of a refund paid under this

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1 section shall not exceed \$15,000.

2 Sec. 147. SCHOOL DISTRICT REIMBURSEMENT CLAIM.

3 1. Any school district located in a county with a
4 population between 11,550 and 12,000 is authorized to
5 refile a claim for state reimbursement of the costs of
6 providing vocational education programs at the
7 secondary level in its district notwithstanding the
8 denial of its previously filed claim with the state
9 appeal board if the claim is filed by October 1, 2003.
10 Such claim shall be considered timely filed
11 notwithstanding any provision of law.

12 2. If the claim filed pursuant to subsection 1 is
13 a valid claim for state reimbursement, the claim shall
14 be paid subject to the following:

15 a. The amount of costs reimbursed shall not exceed
16 6.5 percent.

17 b. Any amount reimbursed pursuant to any
18 previously filed claim relating to the same costs
19 shall not be included.

20 c. The total amount reimbursed under this section
21 shall not exceed \$6,000.

22 Sec. 148. COORDINATION OF PUBLIC TRANSPORTATION

23 STUDY. The state department of transportation shall
24 conduct a study and prepare a report pertaining to
25 administrative efficiencies that may be gained by the
26 coordination of transit management and maintenance
27 systems in the areas of school transportation, public
28 transit, and other forms of public transportation.
29 The report shall be provided to the general assembly
30 by December 31, 2003.

31 Sec. 149. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR

32 PHYSICIAN SERVICES. To the extent that, pursuant to
33 law enacted by the Eightieth General Assembly, 2003
34 Session, supplemental payment adjustments are
35 implemented for physician services provided to medical
36 assistance program participants at publicly owned
37 acute care hospitals, the department of human services
38 shall not, directly or indirectly, recoup the
39 supplemental payment adjustments for any reason,
40 unless an amount equivalent to the amount of
41 adjustment funds that were transferred to the
42 department by the state university of Iowa college of
43 medicine is transferred by the department to the
44 qualifying physicians.

45 Sec. 150. UTILITIES BOARD REVIEW. The utilities
46 board shall initiate and coordinate a review of
47 current ratemaking procedures to determine whether
48 different procedures would be cost-effective and would
49 result in rates that more accurately reflect a
50 utility's cost of providing service to its customers

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1 in Iowa. The board shall allow the consumer advocate
2 division of the department of justice, the rate-
3 regulated utilities, and other interested persons to
4 participate in its review. The board shall report the
5 results of its review to the general assembly, with
6 recommendations as appropriate, on or before January
7 5, 2004.

8 Sec. 151. USE OF TEAM-BASED VARIABLE PAY MONEYS
9 FOR FY 2003-2004. Notwithstanding section 284.13,
10 subsection 1, paragraph a, of the moneys reserved for
11 purposes of team-based variable pay for the fiscal
12 year beginning July 1, 2003, and ending June 30, 2004,
13 the sum of two hundred thousand dollars shall be used
14 for purposes of the reading instruction pilot program
15 established pursuant to 2003 Iowa Acts, House File
16 549, if enacted.

17 Sec. 152. FULL-SIZE OFF-HIGHWAY VEHICLE
18 REGISTRATION PROGRAM - PLAN. The department of
19 natural resources and the state department of
20 transportation, in consultation with the Iowa
21 association of four wheel drive clubs, shall develop a
22 plan for the establishment of a registration program
23 for full-size off-highway vehicles for the purposes of
24 regulating the recreational use of full-size off-
25 highway vehicles and establishing a full-size off-
26 highway vehicle recreation area in the state. The
27 plan shall include an analysis of the number of full-
28 size off-highway vehicles expected to be registered
29 prior to the establishment of a full-size off-highway
30 vehicle recreation area and the number of
31 registrations expected after the establishment of such
32 a facility. The plan shall also include optimum
33 locations for a full-size off-highway vehicle
34 recreation area, estimated costs, if any, for
35 maintenance of the area, and any other issues the
36 departments and the association deem to be of
37 importance in the planning process. The plan, which
38 shall include any proposed legislation for
39 implementation of the plan, shall be submitted to the
40 legislative services agency and the general assembly
41 no later than January 1, 2004.

42 Sec. 153. ELIMINATION OF POSITION - IOWA LAW
43 ENFORCEMENT ACADEMY DIRECTOR. The merit position of
44 director of the Iowa law enforcement academy referred
45 to in section 80B.5, Code 2003, is eliminated
46 effective April 30, 2004.

47 Sec. 154. SEVERABILITY.

48 1. If this entire Act or any portion of section
49 453C.2, subsection 2, paragraph "b", subparagraph (2),
50 as amended in this Act, is held by a court of

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1 competent jurisdiction to be unconstitutional, section
2 453C.2, subsection 2, paragraph "b", subparagraph (2),
3 is repealed in its entirety.

4 2. If section 453C.2, subsection 2, paragraph "b",
5 subparagraph (2), is repealed pursuant to subsection 1
6 and a court of competent jurisdiction subsequently
7 finds that section 453C.2, subsection 2, paragraph
8 "b", is unconstitutional due to such repeal, section
9 453C.2, subsection 2, paragraph "b", subparagraph (2),
10 Code 2003, shall be restored.

11 3. Any holding of unconstitutionality or any
12 repeal of section 453C.2, subsection 2, paragraph "b",
13 subparagraph (2), as amended in this Act, or of
14 section 453C.2, subsection 2, paragraph "b",
15 subparagraph (2), Code 2003, shall not affect, impair,
16 or invalidate any other portion of section 453C.2 or
17 the application of that section to any other person or
18 circumstance, and the remaining portions of section
19 453C.2, shall continue in full force and effect.

20 Sec. 155. FEDERAL HOUSING MONEYS. Any federal
21 moneys received by the department of economic
22 development for the community development block grant
23 program that are allocated for housing and any federal
24 moneys received for the HOME investment partnership
25 program shall be coordinated with projects within the
26 housing trust fund established in section 16.181, if
27 enacted.

28 Sec. 156. SMALLPOX VACCINATIONS. It is the intent
29 of the general assembly that public safety workers,
30 smallpox response teams, and others who will be
31 required to be vaccinated pursuant to the federal
32 Homeland Security Act be protected from both health-
33 related and other results of the federally required
34 vaccination. The emergency management division of the
35 Iowa department of public defense and local
36 governments should work with employees in the public
37 safety areas or response teams to achieve the
38 following:

39 1. Vaccinations should be given only on a
40 voluntary basis.

41 2. Extensive screening should be employed to
42 protect those workers who would be at risk from
43 current health conditions if vaccinated.

44 3. Reprisals or discrimination for workers not
45 voluntarily receiving vaccinations should be
46 prohibited.

47 4. Public employers should protect employees from
48 loss of income or seniority as a result of side
49 effects from vaccinations. Homeland security moneys
50 received by the emergency management division of the

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1 Iowa department of public defense from the federal
2 government should include a set-aside to purchase
3 supplemental insurance for public safety or response
4 employees to cover those reactions not covered by
5 traditional employer-provided health insurance.

6 5. Disability or long-term reactions from
7 vaccinations should be considered a work-related
8 injury and should be covered by local or state
9 policies governing disability.

10 6. Vaccinations should be scheduled at staggered
11 times to allow for normal loss of staff time because
12 of vaccination-related illnesses without seriously
13 hampering public safety service.

14 7. Vaccinations administered in Iowa should meet
15 the requirements of the federal Needlestick Safety and
16 Prevention Act of 2000 that requires safety features
17 in the use of needles to administer medicine.

18 8. The emergency management division of the Iowa
19 department of public defense should coordinate efforts
20 to ensure adequate supplies of vaccinia immune
21 globulin and cidofovir and other appropriate medical
22 care and pharmaceuticals to protect those employees
23 who suffer reactions to vaccinations.

24 Sec. 157. CODE EDITOR DIRECTIVE. The Code editor
25 shall change the name of the department of public
26 defense, emergency management division, to the
27 department of public defense, homeland security and
28 emergency management division, in chapter 29C and
29 elsewhere throughout the Code, including references to
30 the division made in law enacted by the Eightieth
31 General Assembly, 2003 Regular Session and other
32 enactments.

33 Sec. 158. RECORDING AND TRANSACTION FEE REPORT.
34 The treasurer of state shall submit a report to the
35 governor and general assembly on or before December 1,
36 2003, detailing the amount of fees collected statewide
37 pursuant to section 331.604 in each fiscal year of the
38 period beginning July 1, 2000, and ending June 30,
39 2003, and the amount of electronic transaction fees
40 collected statewide for the period beginning July 1,
41 2003, and ending September 30, 2003, pursuant to
42 section 331.605C, if enacted by 2003 Iowa Acts, Senate
43 File 453, section 25.

44 Sec. 159. EFFECTIVE DATES. The following
45 provisions of this division of this Act, being deemed
46 of immediate importance, take effect upon enactment:

47 1. The amendments to sections 8.23, 8.31, and 8.57
48 which are first applicable to appropriations made for
49 the fiscal year beginning July 1, 2003.

50 2. The amendment to section 12E.12.

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- 1 3. The amendments to sections 15E.42, 15E.43,
2 15E.45, and 15E.51, which apply retroactively to
3 January 1, 2002, for tax years beginning on or after
4 that date.
- 5 4. The amendment to section 15E.193B.
- 6 5. The amendment to section 435.26A.
- 7 6. The amendment to section 453A.2, which shall
8 only take effect if 2003 Iowa Acts, Senate File 401,
9 is enacted by the Eightieth General Assembly, 2003
10 Regular Session.
- 11 7. The amendments to sections 453C.1 and 453C.2
12 and the related severability provision.
- 13 8. The amendments to sections 518.18 and 518A.35.
- 14 9. The section directing the department of
15 corrections to develop a plan for selling certain
16 land.
- 17 10. The section relating to the sales and use tax
18 refund.
- 19 11. The section relating to the school district
20 reimbursement claim.
- 21 The sections of this division of this Act amending
22 section 80B.5 and enacting section 80B.5A are
23 applicable to the appointment of the director of the
24 Iowa law enforcement academy for the term beginning
25 May 1, 2004.
- 26 Section 29C.8, subsection 3, paragraph "f", as
27 enacted in this division of this Act, and the
28 amendment to section 29C.20, subsection 1, as enacted
29 in this division of this Act, take effect July 1,
30 2004.

DIVISION VIII

MEDICAL ASSISTANCE PROGRAM

33 Sec. 160. Section 135C.31A, if enacted by 2003
34 Iowa Acts, House File 619, section 2, is amended to
35 read as follows:

36 135C.31A ASSESSMENT OF RESIDENTS – PROGRAM
37 ELIGIBILITY.

38 Beginning July 1, 2003, a health care facility
39 receiving reimbursement through the medical assistance
40 program under chapter 249A shall assist the Iowa
41 commission of veterans affairs in ~~determining, prior~~
42 ~~to the initial identifying, upon~~ admission of a
43 resident, the ~~prospective~~ resident's eligibility for
44 benefits through the federal department of veterans
45 affairs. The health care facility shall also assist
46 the Iowa commission of veterans affairs in determining
47 such eligibility for residents residing in the
48 facility on July 1, 2003. The department of
49 inspections and appeals, in cooperation with the
50 department of human services, shall adopt rules to

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1 administer this section, including a provision that
2 ensures that if a resident is eligible for benefits
3 through the federal department of veterans affairs or
4 other third-party payor, the payor of last resort for
5 reimbursement to the health care facility is the
6 medical assistance program. This section shall not
7 apply to the admission of an individual to a state
8 mental health institute for acute psychiatric care.

9 Sec. 161. Section 249A.20A, if enacted by 2003
10 Iowa Acts, House File 619, section 3, is amended by
11 adding the following new subsection:

12 NEW SUBSECTION. 5A. The department shall adopt
13 rules to provide a procedure under which the
14 department and the pharmaceutical and therapeutics
15 committee may disclose information relating to the
16 prices manufacturers or wholesalers charge for
17 pharmaceuticals. The procedures established shall
18 comply with 42 U.S.C. } 1396r-8 and with chapter 550.

19 Sec. 162. Section 249A.20B, if enacted by 2003
20 Iowa Acts, House File 619, section 4, is amended by
21 adding the following new subsection:

22 NEW SUBSECTION. 5A. The department of human
23 services shall provide a reimbursement to nursing
24 facilities under this section. The reimbursement
25 amount shall be calculated as a per patient day amount
26 and shall be paid to nursing facilities in addition to
27 the reimbursement payment specified in 2001 Iowa Acts,
28 chapter 192, section 4, subsection 2, paragraph "c".

29 Sec. 163. 2003 Iowa Acts, House File 619, section
30 5, if enacted, is amended by striking the section and
31 inserting in lieu thereof the following:

32 **SEC. 5. CASE MANAGEMENT PROGRAM FOR FRAIL ELDERS.**

33 1. The general assembly finds that the existing
34 case management program for frail elders administered
35 by the department of elder affairs is an important
36 component of the long-term care system in this state.
37 The program emphasizes the independence and dignity of
38 the individual while providing services in a cost-
39 effective manner.

40 2. The purposes of the case management program for
41 frail elders include all of the following:

42 a. To provide planning, policy development,
43 coordination, and administrative oversight.
44 b. To provide assistance in the form of assessment
45 and care coordination under circumstances in which an
46 elder or the elder's caregiver is experiencing
47 diminished functional capacity or other conditions
48 that require the provision of services by professional
49 service providers.

50 c. To maintain a system that focuses on the

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1 delivery of home and community-based services that
2 emphasize individual independence, individual needs
3 and desires, and consumer-driven quality of services.

4 3. It is the intent of the general assembly that
5 the department of elder affairs in collaboration with
6 the department of human services, area agencies on
7 aging, advocacy groups, industry representatives, and
8 consumers submit recommendations to the general
9 assembly by October 1, 2003, regarding the redesigning
10 of the case management program for the frail elderly
11 including preadmission screening methodologies, level
12 of care determinations and ongoing methodologies for
13 the coordination, provision, and delivery of home and
14 community-based services.

15 4. It is also the intent of the general assembly
16 that the department of elder affairs and the
17 department of human services coordinate efforts to
18 resolve issues relating to level of care
19 determinations no later than October 1, 2003.

20 Sec. 164. 2003 Iowa Acts, House File 619, section
21 7, subsection 4, paragraph b, if enacted, is amended
22 to read as follows:

23 b. Pharmacies and providers that are enrolled in
24 the medical assistance program shall make available
25 drug acquisition cost information, product
26 availability information, and other information deemed
27 necessary by the department for the determination of
28 reimbursement rates and the efficient operation of the
29 pharmacy benefit. Pharmacies and providers shall
30 produce and submit the requested information in the
31 manner and format requested by the department or its
32 designee at no cost to the department or designee.
33 Pharmacies and providers shall submit information to
34 the department or its designee within thirty days
35 following receipt of a request for information unless
36 the department or its designee grants an extension
37 upon written request of the pharmacy or provider.
38 Notwithstanding the required provision of information
39 by pharmacies and providers under this paragraph, if
40 the department is able to obtain any of the
41 information required to be provided under this
42 paragraph in an alternative manner, through which the
43 department is ensured of the validity and accuracy of
44 the information and of the timely submission of the
45 information, the department may instead obtain the
46 information in the alternative manner. Chapter 550
47 shall apply to the information provided by pharmacies
48 and providers under this paragraph.

49 Sec. 165. 2003 Iowa Acts, House File 619, section
50 9, if enacted, is amended to read as follows:

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1 SEC. 9. NURSING FACILITY REIMBURSEMENT.

2 Notwithstanding 2001 Iowa Acts, chapter 192, section
3 4, subsection 2, paragraph "c", and subsection 3,
4 paragraph "a", subparagraph (2), if projected state
5 fund expenditures for reimbursement of nursing
6 facilities for the fiscal year beginning July 1, 2003,
7 in accordance with the reimbursement rate specified in
8 2001 Iowa Acts, chapter 192, section 4, subsection 2,
9 paragraph "c", ~~exceeds~~ exceed \$147,252,856, the
10 department shall adjust the inflation factor of the
11 reimbursement rate calculation to provide
12 reimbursement within the amount ~~projected~~ specified in
13 this section. The department, in consultation with
14 nursing facility representatives, shall review the
15 projections on a quarterly basis to determine if an
16 interim adjustment is necessary in order to provide
17 reimbursement within the amount specified in this
18 section. In reviewing the projections, the department
19 shall consider the savings from the reduction in bed
20 hold payments, elimination of crossover claims, and
21 increases in Medicare part A utilization.

22 Sec. 166. 2003 Iowa Acts, House File 619, section
23 12, subsections 2 and 3, if enacted, are amended to
24 read as follows:

25 2. The department of human services, in
26 cooperation with the department's fiscal agent and in
27 consultation with a chronic care ~~management resource~~
28 ~~group consortium~~, shall profile medical assistance
29 recipients within a select number of disease diagnosis
30 categories. The assessment shall focus on those
31 diagnosis areas that present the greatest opportunity
32 for impact to improved care and cost reduction.

33 3. The department of human services, in
34 consultation with a chronic care ~~management resource~~
35 ~~group consortium~~, shall conduct a chronic disease
36 management pilot project for a select number of
37 individuals who are participants in the medical
38 assistance program. The project shall focus on a
39 select number of chronic diseases which may include
40 congestive heart failure, diabetes, and asthma. The
41 initial pilot project shall be implemented by October
42 1, 2003.

43 Sec. 167. 2003 Iowa Acts, House File 619, section
44 12, subsection 4, if enacted, is amended by striking
45 the subsection and inserting in lieu thereof the
46 following:

47 4. The department of human services may procure a
48 sole source contract with a vendor to manage
49 individuals with select chronic diseases following the
50 conclusion of the profiling of medical assistance

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1 recipients. The management of chronic diseases for
2 individuals under this subsection may be coordinated
3 with the pilot project established in subsection 3.
4 Sec. 168. 2002 Iowa Acts, Second Extraordinary
5 Session, chapter 1003, section 110, is amended by
6 adding the following new paragraph:
7 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
8 8.33, up to \$2,400,000 of the funds appropriated in
9 this section that remain unencumbered or unobligated
10 at the close of the fiscal year shall not revert but
11 shall remain available in the succeeding fiscal year
12 to be used for additional field operations, full-time
13 equivalent positions and general administration. Four
14 hundred thousand dollars of this amount shall be used
15 for eight full-time equivalent positions to provide a
16 case manager in each of the judicial districts to
17 provide coordination of services for families that
18 have a history of methamphetamine abuse and \$400,000
19 of this amount shall be used for general
20 administration.

21 Sec. 169. VETERANS – DIRECTIVE. The commission
22 of veterans affairs shall work with the commandant of
23 the Iowa veterans home, the department of human
24 services, and the department of inspections and
25 appeals to identify the residents of health care
26 facilities who may be eligible for benefits through
27 the federal department of veterans affairs pursuant to
28 section 135C.31A, if enacted by 2003 Iowa Acts, House
29 File 619.

30 Sec. 170. The section of this division of this Act
31 amending 2002 Iowa Acts, Second Extraordinary Session,
32 chapter 1003, section 110, relating to certain federal
33 temporary assistance for needy families block grant
34 funding, takes effect upon enactment.

35 DIVISION IX

36 Sec. 171. PURPOSE AND DEFINITIONS.

37 1. PURPOSE. The general assembly finds that the
38 Iowa communications network is a valuable state asset
39 that has served the people of the state well, but
40 which requires significant ongoing financial support
41 from the state in the form of annual appropriations.
42 The operation of a telecommunications network is a
43 function that can be and generally is conducted by
44 private enterprise. It is in the public interest to
45 sell the Iowa communications network to a qualified
46 private business enterprise that will commit to
47 provide the same secure low-cost high-quality service
48 to state and federal agencies and military
49 installations now provided by the network. Through
50 such a sale, the state would eliminate the need for

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1 ongoing annual appropriations while preserving the key
2 benefits enjoyed by the state under the present state
3 ownership of the network. The state also expects to
4 obtain sufficient proceeds from such a sale to cover
5 existing obligations and to realize additional
6 proceeds above the level of such obligations. Given
7 the current depressed state of the telecommunications
8 industry, the state can reasonably be expected to
9 maximize sales proceeds by allowing a purchaser a
10 period of time in which to assemble financing for its
11 purchase. During the interim between enactment of
12 this division of this Act and completion of a sale,
13 the services of a private-enterprise manager with
14 experience operating telecommunications networks can
15 reasonably be expected to reduce the costs of
16 operating the Iowa communications network, thereby
17 lowering annual appropriations.

18 2. DEFINITIONS. As used in this division of this
19 Act, unless the context otherwise requires:

20 a. "Board" means the state network privatization
21 board.

22 b. "Commission" means the Iowa telecommunications
23 and technology commission established in section 8D.3
24 to oversee the operations of the network.

25 c. "Management contract" means an agreement
26 between the board and the manager for services to
27 oversee and operate the network on behalf of the
28 state.

29 d. "Manager" means the private entity selected by
30 the board to oversee and operate the network on behalf
31 of the state.

32 e. "Network" means the Iowa or state
33 communications network as defined in section 8D.2.

34 f. "Out-of-pocket expenses" means moneys paid to
35 an unaffiliated third party for engineering, legal,
36 consulting, or other services or goods by a manager or
37 purchaser.

38 g. "Purchaser" means the entity that is selected
39 by the board to purchase the network from the state.

40 h. "Required third-party approval" means any
41 consent, conveyance, approval, or waiver that must be
42 granted by a private, governmental, or quasi-
43 governmental third party in order for the purchaser to
44 receive clear title to all network assets and the
45 right to use the network assets free of adverse
46 claims. Required third-party approvals include but
47 are not limited to all of the following:

48 (1) Approvals of assignments to the purchaser of
49 the state's rights under leases or contracts between
50 the state and the third party.

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1 (2) Conveyance to the purchaser of property that
2 the third party currently leases to the state on a
3 term with less than fifteen years remaining.

4 (3) Release of restrictions in contracts that
5 require that the state operate the network.
6 i. "Sales contract" means the contract between the
7 state as seller, represented by the board, and the
8 purchaser, for sale of the network to the purchaser.

9 Sec. 172. STATE NETWORK PRIVATIZATION BOARD
10 CREATED - DUTIES.

11 1. A state network privatization board is created.
12 The board shall consist of the following members:

13 a. A chairperson member appointed by the
14 legislative council, subject to confirmation by the
15 senate.

16 b. A member, who shall not be of the same
17 political party as the chairperson, appointed by the
18 governor subject to confirmation by the senate.

19 c. The adjutant general or the adjutant general's
20 designee.

21 2. The board shall do all of the following:

22 a. Issue a request for proposals from qualified
23 entities interested in serving as the manager of the
24 network. This request for proposals shall be issued
25 by July 1, 2004, and responses to the request for
26 proposals shall be due by August 1, 2004.

27 b. Select a manager and enter into a management
28 contract with the manager by October 1, 2004. The
29 management contract shall provide for the continuation
30 of all services currently being provided to state and
31 federal agencies and military installations pursuant
32 to chapter 8D, at the rates specified therein, for the
33 duration of the contract. The contract shall also
34 specify the manager's authority in relation to the
35 duties of the commission during the period between
36 execution of the management contract and closing of
37 the sale of the network. The commission shall
38 establish a dispute resolution process regarding rate
39 increases, quality of service issues, and other areas
40 of dispute involving network subscribers. The
41 commission shall also make recommendations regarding
42 imposition of an ongoing dispute resolution and
43 appeals process commencing with the closing of the
44 sale of the network.

45 c. Issue a request for proposals from qualified
46 entities for the purchase of the network. This
47 request for proposals shall be issued by January 1,
48 2005, and responses to the request for proposals shall
49 be due by May 1, 2005.

50 d. Utilizing the criteria set forth in sections

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1 173 and 174 of this Act, select a purchaser and enter
2 into a sales contract with the purchaser by October 1,
3 2005.

4 e. Immediately upon execution of the management
5 contract and the sales contract by the majority of the
6 board, transmit the executed contract to the general
7 assembly and to the governor. The board shall have
8 full authority to enter into the management contract
9 and the sales contract on behalf of the state,
10 provided that the general assembly by legislation
11 enacted regarding the specific purchase and approved
12 by the governor, within thirty days after transmittal
13 to the general assembly and the governor in the case
14 of the management contract, and within sixty days
15 after transmittal to the general assembly and the
16 governor in the case of the sales contract, may
17 disapprove the board's action, in which case the
18 disapproved contract shall have no force and effect.
19 In the event of such disapproval, the state shall pay
20 the manager or the purchaser, as the case may be,
21 reasonable out-of-pocket expenses incurred in
22 preparing a proposal and performing prior to
23 disapproval, but such expenses shall not exceed two
24 hundred thousand dollars in the case of disapproval of
25 the management contract and five hundred thousand
26 dollars in the case of disapproval of the sales
27 contract.

28 f. Cause the sales contract to require closing by
29 October 1, 2007, allowing time for the state to obtain
30 third-party approvals as required by section 176 of
31 this Act, including the filing of any necessary
32 eminent domain actions, and for the purchaser to
33 secure financing.

34 g. Execute all necessary documents relating to the
35 closing of the sale of the network. The board may
36 direct any other applicable official to assist in the
37 execution of necessary documents relating to the
38 closing.

39 h. Require by written directive that all state
40 officials provide information and records concerning
41 the network to the board, to the manager, or to a
42 person submitting a proposal to purchase the network,
43 whenever the board requires such provision of such
44 records and other information.

45 i. Take all other steps necessary and proper as
46 needed to carry out its responsibilities enumerated in
47 this subsection. The board may adopt necessary rules
48 pursuant to chapter 17A to administer this division of
49 this Act.

50 Sec. 173. MINIMUM QUALIFICATIONS OF PURCHASER.

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1 The purchaser shall meet the following requirements:

2 1. The principal place of business of the
3 purchaser and any parent of the purchaser shall be
4 located in the state of Iowa.

5 2. For national security reasons, and because of
6 the extensive military use of the network, the
7 purchaser shall possess national security approval.

8 Sec. 174. CRITERIA FOR SELECTION OF PURCHASER.

9 After issuing a request for proposals for the purchase
10 of the network and considering the proposals received,
11 the board shall select the highest and best offer for
12 purchase of the network from those persons submitting.
13 proposals which meet all of the following criteria:

14 1. Satisfy the minimum qualifications of this
15 division of this Act.

16 2. Submit a proposal in compliance with the
17 request for proposals.

18 3. Demonstrate a likelihood of being able to
19 obtain any financing necessary to close the
20 transaction. However, the board shall not require
21 that the purchaser have a commitment for financing to
22 award the contract, but shall allow the purchaser at
23 least one year to obtain any necessary financing. The
24 board may also in its discretion consider proposals
25 involving financing of the sale by the state.

26 4. Agree to continue all services currently being
27 provided to state and federal agencies and military
28 installations for the next ten years, with any annual
29 rate increase not to exceed five percent per year,
30 provided that the purchaser shall not be required to
31 supply at such restricted prices a quantity or quality
32 of service greater than that provided by the network
33 as of execution of the contract for sale of the
34 network.

35 Sec. 175. CLOSING OF SALE. Any debt of the state
36 related to the network or other liens against network
37 assets shall be discharged out of the state's proceeds
38 of closing, so that the purchaser receives marketable
39 title to the network. The purchaser shall receive
40 bills of sale, in the case of personal property, and
41 deeds, in the case of real property, transferring all
42 network assets to the purchaser. The state shall also
43 transfer its interest in right-of-way and leases and
44 easements for uses of rights-of-way.

45 Sec. 176. THIRD-PARTY APPROVALS.

46 1. The state shall exercise all reasonable efforts
47 to obtain each required third-party approval,
48 including where necessary by use of eminent domain
49 proceedings. To the extent feasible, the state may
50 pay the costs of obtaining required third-party

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1 approvals out of the proceeds of sale rather than from
2 the general fund of the state. In the event the state
3 fails to obtain a required third-party approval, the
4 purchaser may terminate the sales contract without
5 penalty and shall be reimbursed by the state for
6 reasonable out-of-pocket expenses incurred in
7 preparing its proposal and fulfilling its obligations
8 under the sales contract, not to exceed two million
9 dollars.

10 2. The board and the purchaser shall develop a
11 list of required third-party approvals and persons who
12 may have claims that would constitute required third-
13 party approvals if valid. The board shall mail to
14 each person on the list at their last known address a
15 notice that provides a description of the sale and
16 invites the recipient to submit a claim on a form
17 developed by the board by a deadline set by the board.
18 The claim or interest of any person who fails to
19 timely file a claim shall be deemed discharged and
20 forfeited, and such person shall be forever barred and
21 estopped from taking any action against the state or
22 purchaser that would in any way interfere with the
23 purchaser's use of the network. In addition, the
24 board shall publish the notice in newspapers of
25 general circulation in the state of Iowa, and failure
26 to file a timely claim shall bar all persons whose
27 rights could constitutionally be affected by such
28 notice, just as if such person had been mailed notice.

29 3. Any eminent domain or other proceeding to
30 obtain a required third-party approval shall be
31 promptly filed by the attorney general at the request
32 of the board and shall be added to the calendar of any
33 trial or appellate court of this state so that the
34 deadline in section 172 of this Act for closing the
35 sale can be met.

36 Sec. 177. REMOVAL OF RESTRICTIONS - REPEAL OF
37 CHAPTER 8D. Chapter 8D is repealed, effective as of
38 the date of the closing of the sale of the network
39 under this division of this Act, as certified by the
40 chairperson of the board to the governor.

41 Sec. 178. ASSISTANCE OF OTHER STATE AGENCIES.

42 1. The attorney general shall provide legal advice
43 to the board.

44 2. All other state agencies shall provide whatever
45 assistance may reasonably be required by the board in
46 carrying out its duties under this division of this
47 Act.

48 DIVISION X

49 GOVERNMENT ORGANIZATION REVIEW COMMITTEE

50 Sec. 179. Section 331.264, subsection 1,

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1 unnumbered paragraph 1, and paragraphs a through d, if
2 enacted by 2003 Iowa Acts, Senate File 390, section
3 25, is amended to read as follows:

4 A local government organization review committee
5 may be created in a county having a population in
6 excess of one hundred thousand. The committee shall
7 be composed of the following members:

8 a. Three city council members appointed by the
9 city council of each participating city with a
10 population of twenty-five thousand or more.

11 b. Three county supervisors appointed by the
12 county board of supervisors.

13 c. One city council member appointed by each
14 participating city with a population of less than
15 twenty-five thousand.

16 d. One member shall be appointed by each state
17 legislator whose legislative district is located in
18 the county if a majority of the constituents of that
19 legislative district reside in the county. However,
20 if a county does not have a state representative's
21 legislative district which has a majority of a state
22 representative's constituency residing in the county,
23 the state representative having the largest plurality
24 of constituents residing in the county shall appoint a
25 member. The member appointed by each state legislator
26 shall be a person who is not holding elected office
27 and who is a resident of the legislative district of
28 the state legislator. If any portion more than one-
29 half of the population of a legislative district is in
30 the unincorporated area of the county, the member
31 appointed by that legislator shall be a resident of
32 the unincorporated area of the county.

33 Sec. 180. EFFECTIVE DATE. This division of this
34 Act, being deemed of immediate importance, takes
35 effect upon enactment."

36 2. Title page, by striking lines 1 through 4 and
37 inserting the following: "An Act relating to public
38 expenditure and regulatory matters, compensating
39 public employees, making and reducing appropriations,
40 modifying sales and use taxes, modifying the
41 investment tax credits and premium taxes on mutual
42 insurance associations, providing for related matters,
43 making penalties applicable, and providing effective
44 dates."

A non-record roll call was requested.

The ayes were 53, nays 39.

Amendment H-1612 was adopted.

SENATE FILE 458 SUBSTITUTED FOR HOUSE FILE 700

Dix of Butler asked and received unanimous consent to substitute Senate File 458 for House File 700.

Senate File 458, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, modifying sales and use taxes, modifying the investment tax credits and premium taxes on mutual insurance associations, providing for related matters, making penalties applicable, and providing effective dates, was taken up for consideration.

Roberts of Carroll in the chair at 7:47 p.m.

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

On the question "Shall the bill pass?" (S.F. 458)

The ayes were, 93:

| | | | |
|--------------|------------|------------------|------------------|
| Alons | Arnold | Baudler | Bell |
| Berry | Boal | Boddicker | Bogges |
| Carroll | Chambers | Cohoon | Dandekar |
| Davitt | De Boef | Dennis | Dix |
| Dolecheck | Drake | Elgin | Fallon |
| Foege | Ford | Freeman | Frevert |
| Gaskill | Gipp | Granzow | Greimann |
| Greiner | Hahn | Hansen | Hanson |
| Heaton | Heddens | Hoffman | Hogg |
| Horbach | Huseman | Huser | Hutter |
| Jacobs | Jenkins | Jochum | Jones |
| Klemme | Kramer | Kuhn | Kurtenbach |
| Lalk | Lensing | Lukan | Lykam |
| Maddox | Manternach | Mascher | McCarthy |
| Mertz | Miller | Murphy | Myers |
| Oldson | Olson, D. | Olson, S. | Osterhaus |
| Paulsen | Petersen | Quirk | Raecker |
| Rants, Spkr. | Rasmussen | Rayhons | Reasoner |
| Sands | Schickel | Smith | Stevens |
| Struyk | Swaim | Thomas | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |

Van Fossen, J.R.
Whitead
Roberts,
Presiding

Watts
Wilderdyke

Wendt
Winckler

Whitaker
Wise

The nays were, 5:

Eichhorn
Taylor, T.

Hunter

Shoultz

Taylor, D.

Absent or not voting, 2:

Bukta

Connors

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 458** be immediately messaged to the Senate.

Unfinished Business Calendar

House File 646, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions, was taken up for consideration.

Elgin of Linn offered the following amendment H-1176 filed by him and moved its adoption:

H-1176

- 1 Amend House File 646 as follows:
- 2 1. By striking everything after the enacting
- 3 clause and inserting the following:
- 4 "Section 1. Section 331.210A, subsection 2, Code
- 5 2003, is amended by adding the following new
- 6 paragraph:

7 NEW PARAGRAPH. f. (1) Notwithstanding the
8 provisions of this section to the contrary, for a
9 county with a population of one hundred eighty
10 thousand or more that has adopted a charter for a
11 city-county consolidated form of government or a
12 community commonwealth form of government and which
13 charter provides for representation by districts, the
14 legislative service bureau, and not the temporary
15 county redistricting commission, shall draw a first or
16 second plan as necessary and required by paragraph "a"
17 pursuant to a contract executed with the county. The
18 plan drawn by the legislative service bureau shall be
19 based upon the precinct plan adopted for use by the
20 county and shall be drawn in accordance with section
21 42.4, to the extent applicable.

22 (2) The plan drawn by the legislative service
23 bureau shall be submitted to the temporary county
24 redistricting commission which shall not amend the
25 plan and which shall perform the duties required by
26 paragraphs "b" and "c" concerning the plan. The
27 temporary county redistricting commission shall accept
28 the plan in total or it may request and contract to
29 have a second plan prepared by the legislative service
30 bureau. In doing so, the temporary county
31 redistricting commission shall state its objections to
32 the first plan in writing.

33 (3) After the requirements of paragraphs "b" and
34 "c" have been met with respect to either a first or
35 second plan, the plan drawn by the legislative service
36 bureau and accepted by the temporary county
37 redistricting commission shall be submitted to the
38 governing body for its approval or rejection. If the
39 plan drawn by the legislative service bureau and
40 accepted by the temporary county redistricting
41 commission is rejected by the governing body, the
42 governing body may consider and accept the other plan
43 submitted by the legislative service bureau to the
44 temporary county redistricting commission, if any, or
45 shall direct the temporary county redistricting
46 commission to prepare another plan as provided by
47 paragraph "d".

48 Sec. 2. Section 331.231, subsection 5, Code 2003,
49 is amended to read as follows:

50 5. City-county consolidated form as provided in

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1 ~~section sections~~ 331.247 through 331.252.

2 Sec. 3. Section 331.232, subsection 3, Code 2003,
3 is amended to read as follows:

4 3. An alternative form of county government shall
5 be submitted to the ~~county~~ electorate by the

6 commission in the form of a charter or charter
7 amendment.

8 Sec. 4. Section 331.234, subsections 3 and 4, Code
9 2003, are amended to read as follows:

10 3. The board shall make available to the
11 commission in-kind services such as office space,
12 printing, supplies, and equipment and, The county
13 shall pay from the segregated account established in
14 subsection 4, the other necessary expenses of the
15 commission including compensation for secretarial,
16 clerical, professional, and consultant services. The
17 total annual expenses, not including the value of in-
18 kind expenses, to be paid from public funds shall not
19 exceed one hundred thousand dollars or an amount equal
20 to thirty cents times the population of the commission
21 area, according to the most recent certified federal
22 census. The commission may employ staff as necessary.

23 4. The expenses of the commission ~~may be paid from~~
24 ~~the general fund of the county shall be paid by each~~
25 ~~city and county participating in the charter process~~
26 or from any combination of public or private funds
27 available for that purpose. Each city's share shall
28 be its pro rata share of the expenses based upon the
29 ratio that the population of the city bears to the
30 total population in the county. The county's share
31 shall be its pro rata share of expenses based upon the
32 ratio that the population of the unincorporated area
33 of the county bears to the total population of the
34 county. The amount paid by each city and county
35 participating in the charter process shall be
36 deposited in a segregated account maintained by the
37 county. The commission's annual expenses may exceed
38 the amount in subsection 3 only if the excess is paid
39 from private funds. If a proposed charter is
40 submitted to the electorate, private funds donated to
41 the commission may be used to promote passage of the
42 proposed charter.

43 Sec. 5. Section 331.235, Code 2003, is amended to
44 read as follows:

45 331.235 COMMISSION PROCEDURES AND REPORTS.

46 1. Within sixty days after its organization, the
47 commission shall hold at least one public hearing for
48 the purpose of receiving information and material
49 which will assist in the drafting of a charter.
50 Notice of the date, time, and place of the hearing

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1 shall be given as provided in chapter 21. If the
2 commission is created pursuant to section 331.264,
3 subsection 4, the hearing shall be held thirty days
4 after submission of the preliminary report to the

5 board, pursuant to section 331.264, subsection 3.
6 2. Within nine months after the organization of
7 the commission, the commission shall submit a
8 preliminary report to the board, which report may
9 include the text of the proposed charter. If a
10 proposed charter is included in the preliminary
11 report, the report shall also include an analysis of
12 the fiscal impact of the proposed charter. Sufficient
13 copies of the report shall be made available for
14 distribution to residents of the county who request a
15 copy. The commission shall hold at least one public
16 hearing after submission of the preliminary report to
17 obtain public comment. This subsection does not apply
18 if the commission is created pursuant to section
19 331.264, subsection 4.

20 3. Within twenty months after organization, the
21 commission shall submit the final report to the board.
22 If the commission is created pursuant to section
23 331.264, subsection 4, the commission shall submit the
24 final report to the board within five months after
25 submission of the preliminary report to the board
26 pursuant to section 331.264, subsection 3. A
27 commission created pursuant to section 331.264,
28 subsection 4, may adopt a motion granting itself a
29 sixty-day extension of time for submission of its
30 final report. If the commission recommends a charter
31 including a form of government other than the existing
32 form of government, the final report shall include the
33 full text and an explanation of the proposed charter,
34 a statement of whether the elected officers shall be
35 elected on a partisan or nonpartisan basis, an
36 analysis of the fiscal impact of the proposed charter,
37 any comments deemed desirable by the commission, and
38 any minority reports. The final report may recommend
39 no change to the existing form of government and that
40 no charter be submitted to the electorate, in which
41 case, the report shall state the reasons for and
42 against a change in the existing form of government.
43 The final report shall be made available to the
44 residents of the county upon request. A summary of
45 the final report shall be published in the official
46 newspapers of the county and in a newspaper of general
47 circulation in each participating city.

48 4. The commission is dissolved on the date of the
49 general election at which the proposed charter is
50 submitted to the electorate. However, if a charter

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1 proposing the city-county consolidated form or the
2 community commonwealth form is adopted, the commission
3 is dissolved on the date that the terms of office of

4 the members of the governing body for the alternative
5 form of government commence. If a charter is not
6 recommended, the commission is dissolved upon
7 submission of its final report to the board.

8 Sec. 6. Section 331.237, subsection 1, Code 2003,
9 is amended to read as follows:

10 1. ~~If a~~ The board shall direct the county
11 commissioner of elections to submit to the registered
12 voters of the county the question of whether the
13 proposed charter for county government shall be
14 adopted. ~~The proposed charter for county government~~
15 ~~is may be submitted at the general election or at a~~
16 ~~special election held on the day of the regular city~~
17 ~~election. To be submitted at the general election,~~
18 ~~the proposed charter must be received not less than~~
19 ~~five working days before the filing deadline for~~
20 ~~candidates for county offices specified in section~~
21 ~~44.4 for the next general election, the board shall~~
22 ~~direct the county commissioner of elections to submit~~
23 ~~to the registered voters of the county at the next~~
24 ~~general election the question of whether the proposed~~
25 ~~charter shall be adopted.~~ A summary of the proposed
26 charter or amendment shall be published in the
27 official county newspapers and in a newspaper of
28 general circulation in each participating city, if
29 applicable, at least ten but not more than twenty days
30 before the date of the election. If a majority of the
31 votes cast on the question is in favor of the
32 proposal, the proposal is adopted.

33 Sec. 7. Section 331.237, subsection 2, paragraph
34 a, Code 2003, is amended to read as follows:

35 a. The adopted charter shall take effect July 1
36 following the ~~general~~ election at which it is approved
37 unless the charter provides a later effective date.
38 If the adopted charter calls for a change in the form
39 of government, officers to fill elective offices shall
40 be elected in the general election in the even-
41 numbered year following the adoption of the charter.
42 Those county officers holding office at the time of
43 the adoption of the charter shall continue in office
44 until the general election in the even-numbered year
45 following the adoption of the charter. If the charter
46 provides that one or more elective offices are
47 combined, the board of supervisors shall appoint one
48 of the elective officers of the combined offices to
49 serve until the general election in the even-numbered
50 year. If the charter calls for the elimination of an

3 takes effect.

4 Sec. 8. Section 331.237, Code 2003, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 4. Subsections 2 and 3 do not
7 apply to the city-county consolidated form of
8 government or the community commonwealth form of
9 government.

10 Sec. 9. Section 331.238, Code 2003, is amended by
11 adding the following new subsection:

12 NEW SUBSECTION. 4. Subsections 1 and 2 do not
13 apply to the city-county consolidated form of
14 government or the community commonwealth form of
15 government.

16 Sec. 10. Section 331.244, Code 2003, is amended by
17 adding the following new subsection:

18 NEW SUBSECTION. 3. This section does not apply to
19 the city-county consolidated form of government.

20 Sec. 11. Section 331.247, Code 2003, is amended to
21 read as follows:

22 331.247 CITY-COUNTY CONSOLIDATION FORM.

23 1. ~~a county and one or more cities within the~~
24 ~~county may unite to form a single unit of local~~
25 ~~government in accordance with this part. A commission~~
26 ~~appointed pursuant to section 331.233A may propose a~~
27 ~~charter under which a county and one or more cities~~
28 ~~within the county may unite to form a single unit of~~
29 ~~local government, or may propose a charter under which~~
30 ~~a county and one or more cities within the county may~~
31 ~~form a combined governance structure for the county~~
32 ~~and such cities in accordance with this part. The~~
33 ~~charter shall declare whether the form is a merger of~~
34 ~~a county and one or more cities to form a single unit~~
35 ~~of local government or whether the form establishes a~~
36 ~~combined government structure of a county and one or~~
37 ~~more cities. Either option proposed shall be referred~~
38 ~~to as a city-county consolidated form of government.~~
39 If more than fifty percent of the population of a city
40 resides within the affected county, it is a city
41 within the county for the purposes of this section and
42 may continue its status as a city within the county
43 even if the population of such city falls below the
44 fifty percent threshold in a future census.

45 2. An alternative form of government, including a
46 charter form, for a consolidated unit of government
47 may be submitted to the voters only by a commission
48 established under this chapter. A majority vote by
49 the charter commission is required for the submission
50 to the electorate of an alternative form of government

2 charter for a city-county consolidated form of
3 government. The charter commission submitting a
4 consolidated form shall issue a final report and
5 proposal.

6 3. An alternative form of government for a A city-
7 county consolidated unit of local government form of
8 government does not need to include more than one
9 city. A city shall not be included unless the city
10 participates in the commission process, and a majority
11 of the electors of the affected city voting approves
12 the proposed charter for the consolidated government.

13 4. If an alternative form of government for a
14 consolidated unit of local government is proposed,
15 approval of the consolidation charter shall be a
16 separate ballot issue from approval of the alternative
17 form of government in those cities proposed to be
18 included in the consolidation. Adoption of the
19 consolidation charter requires the approval of a
20 majority of the votes cast in the entire county. A
21 city named on the ballot is included in the

22 consolidation if the proposed charter is approved by a
23 majority of the votes cast in the city. The
24 consolidation charter shall be effective in regard to
25 a city government only if a majority of the voters of
26 the city voting on the question voted for
27 participation in the consolidation charter.

28 5. A city may request to join an existing city-
29 county consolidated government by resolution of the
30 city council or upon petition of eligible electors of
31 the city equal in number to at least twenty-five
32 percent of the persons who voted at the last general
33 election for the office of governor or president of
34 the United States, whichever is fewer regular city
35 election. Within fifteen days after receiving a valid
36 petition, the city council of the petitioning city
37 shall adopt a resolution in favor of participation and
38 shall immediately, within ten days of adoption,
39 forward the resolution to the legislative governing
40 body of the city-county consolidated government. If a
41 majority of the city-county consolidated legislative
42 governing body of the city-county consolidated
43 government approves the resolution, the question of
44 joining the city-county consolidated government shall
45 be submitted to the electorate of the petitioning city
46 within sixty days after approval of the resolution.

47 6. a. If a charter is adopted, it may be amended
48 at any time by one of the following methods:

49 (1) The governing body of the city-county
50 consolidated form of government, by resolution, may

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1 submit a proposed amendment to the voters at a general
2 election or at a special election, and the proposed
3 amendment becomes effective upon approval by a
4 majority of those voting.

5 (2) The governing body of the city-county
6 consolidated form of government, by ordinance, may
7 amend the charter. However, within thirty days
8 following publication of the ordinance, if a petition
9 valid under the provisions of section 331.306 is filed
10 with the governing body of the city-county
11 consolidated form of government, the governing body
12 must submit the charter amendment to the voters at a
13 special election and, in such an event, the amendment
14 becomes effective only upon approval of a majority of
15 those voting within the city-county consolidated area.

16 (3) If a petition valid under the provisions of
17 section 331.306 filed with the governing body of the
18 city-county consolidated form of government, proposing
19 an amendment to the charter, the governing body must
20 submit the proposed amendment to the voters at a
21 general election or at a special election and, in such
22 an event, the amendment becomes effective only upon
23 approval of a majority of those voting within the
24 city-county consolidated area.

25 b. If an election is held, the governing body
26 shall submit the question of amending the charter to
27 the electors in substantially the following form:
28 Should the amendment described below be adopted for
29 the city-county consolidated charter of (insert name
30 of county and of each consolidated city)?

31 The ballot must contain a brief description and
32 summary of the proposed amendment.

33 c. An amendment shall not adopt an alternative
34 form of county government but an amendment may allow
35 the governing body of a city-county consolidated form
36 of government that has a combined governance structure
37 to adopt a city-county consolidated form of government
38 under which a county and one or more cities within the
39 county unite to form a single unit of local
40 government.

41 Sec. 12. Section 331.248, subsection 1, Code 2003,
42 is amended to read as follows:

43 1. The charter commission proposing consolidation
44 a city-county consolidated form of government shall
45 prepare, adopt, and submit cause to be submitted to
46 the voters a consolidation the charter including an
47 alternative form of government.

48 Sec. 13. Section 331.248, subsection 2, Code 2003,
49 is amended to read as follows:

50 2. The consolidation charter for a city-county

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1 consolidated form of government shall:

2 a. Provide for adjustment of existing bonded

3 indebtedness and other obligations in a manner which

4 will provide for a fair and equitable burden of

5 taxation for debt service.

6 b. Provide for establishment of service areas,

7 except that formation of a city-county ~~consolidation~~

8 ~~government~~ consolidated form of government shall not

9 affect the assignment of electric utility service

10 territories pursuant to chapter 476, and shall not

11 affect the rights of a city to grant a franchise under

12 chapter 364.

13 c. Provide for the transfer or other disposition

14 of property and other rights, claims, assets, and

15 franchises of ~~local governments~~ the county and each

16 city consolidated under the alternative form.

17 d. Provide the official name of the city-county

18 consolidated unit of local government form of

19 government.

20 e. Provide for the transfer, reorganization,

21 abolition, absorption, and adjustment of boundaries of

22 all existing boards, bureaus, commissions, agencies,

23 special districts, and political subdivisions of the

24 city-county consolidated form of government.

25 ~~f. Include other provisions which the county~~

26 ~~charter commission and the city charter commission~~

27 ~~elect to include and which are not inconsistent with~~

28 ~~state law. Provide for the exercise of home rule~~

29 ~~power and authority not inconsistent with state law.~~

30 g. Provide for a governing body of an odd number

31 of members, not less than five, but which may exceed

32 the number of members specified in sections 331.201,

33 331.203, and 331.204. The titles of the members of

34 the governing body shall be determined by the charter.

35 h. Provide for a representation plan for the

36 governing body which representation plan may differ

37 from the representation plans provided in section

38 331.206 and in chapter 372. If the plan calls for

39 representation by districts and the charter has been

40 approved in a county whose population is one hundred

41 eighty thousand or more, the plan shall be drawn

42 pursuant to section 331.210A, subsection 2, paragraph

43 "f". The initial representation plan for such a

44 county shall be drawn as provided in section 331.210A,

45 subsection 2, paragraph "f", within ninety days after

46 the election at which the charter is approved. For

47 the initial representation plan, the charter

48 commission shall assume the role of the governing body

49 for purposes of this paragraph and section 331.210A,

50 subsection 2, paragraphs "d" through "f".

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1 i. Provide for the initial compensation for
2 members of the governing body and for a method of
3 changing the compensation.

4 j. Notwithstanding section 331.238, subsection 3,
5 provide whether the election of its officers shall be
6 on a partisan or nonpartisan basis.

7 Sec. 14. Section 331.248, Code 2003, is amended by
8 adding the following new subsection:

9 NEW SUBSECTION. 4. The consolidation charter may
10 include other provisions which the commission elects
11 to include and which are not irreconcilable with state
12 law. These provisions may include but are not limited
13 to the following:

14 a. Provide for a method of selecting officers of
15 the governing body and fixing their terms of office
16 which may differ from the requirements of sections
17 331.208 through 331.211 and the provisions of chapter
18 372.

19 b. Provide for meetings of the governing body and
20 rules of procedure which may differ from the
21 requirements of section 331.213, except that the
22 meetings shall be scheduled and conducted in
23 compliance with chapter 21.

24 c. Provide for combining the duties of elected
25 officials of the county, for eliminating elected
26 offices and the assumption of the duties of those
27 offices by appointed officials, and for adding to,
28 deleting, or otherwise changing the duties of
29 officials, elected or otherwise, of the county and
30 each consolidated city.

31 d. Provide for the organization of city and county
32 departments, agencies, or boards. The organization
33 plan may provide for the abolition or consolidation of
34 a department, agency, board, or commission and the
35 assumption of its powers and duties by the governing
36 body or by another department, agency, board, or
37 commission. This paragraph does not apply to the
38 board of trustees of a county hospital.

39 e. Provide for a method for the governing body or
40 another office to exercise the powers and duties of
41 the township trustees, in lieu of their election or
42 appointment.

43 Sec. 15. Section 331.249, Code 2003, is amended to
44 read as follows:

45 331.249 EFFECT OF CONSOLIDATION.

46 1. a. The consolidation of one or more cities and
47 one or more counties shall create a unified government
48 which includes a municipal corporation and a county.
49 A city-county consolidated form of government under
50 which a county and one or more cities within the

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1 county unite to form a single unit of local government
2 shall create a unified government which includes a
3 municipal corporation and a county. The consolidated
4 unit shall have the separate status of a county and a
5 city for all purposes and shall constitute two
6 political subdivisions, a consolidated city and a
7 county, under combined governance. The consolidated
8 unit shall retain one separate constitutional debt
9 limitation with respect to its status as a city and a
10 separate constitutional debt limitation with respect
11 to its status as a county.

12 b. The governing body of a city-county
13 consolidated form of government under which a county
14 and one or more cities within the county form a
15 combined governance structure shall have, with respect
16 to the county, the power and authority of the board of
17 supervisors of a county, and, with respect to each
18 city, the power and authority of the city council of a
19 city. Each consolidated city and the county
20 constitute separate political subdivisions. Each
21 consolidated city and the county shall retain a
22 separate constitutional debt limitation and shall each
23 have the authority to issue bonds and incur financial
24 obligations in accordance with the provisions of state
25 law applicable to a city or a county, respectively.

26 2. A The city-county consolidated unit of local
27 government form of government may include an area
28 which is located in another county, but which is
29 within the corporate boundaries of one of the
30 consolidated cities. County services shall may be
31 provided in the extra-county area and taxes to fund
32 those services shall may be collected in the extra-
33 county area by the consolidated government, to the
34 extent permitted by the Constitution of the State of
35 Iowa. In addition to the right to vote in the county
36 of residence, electors residing in the extra-county
37 area shall have the right to vote on any matter
38 related to the city-county consolidated unit of local
39 form of government, including election of its
40 officials governing body.

41 If a city-county consolidation charter is proposed,
42 within ninety days following the final report of the
43 commission, a resident or property owner of the
44 commission area proposed to be consolidated may bring
45 an action in district court for declaratory judgment
46 to determine the legality of the proposed charter and
47 to otherwise declare the effect of the charter. The
48 court shall expedite its review and determination in
49 this matter. The referendum on the proposed charter
50 shall be stayed during pendency of the action and for

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1 such additional time during which the proposed charter
2 or its enabling legislation does not conform to the
3 Constitution or laws of the State of Iowa. If in its
4 final judgment the court determines that the proposed
5 charter fails to conform to the Constitution or laws
6 of this state, the commission shall have a period of
7 six months in which to revise and resubmit the
8 proposed charter.

9 3. All provisions of law authorizing contributions
10 of any kind, in money or otherwise, from the state or
11 federal government to counties and cities shall remain
12 in full force with respect to each city and the county
13 comprising a city-county consolidated local form of
14 government.

15 4. The adoption of the city-county consolidated
16 form of government does not alter any right or
17 liability of the county or consolidated city in effect
18 at the time of the election at which the charter was
19 adopted.

20 5. All departments and agencies of the county and
21 of each consolidated city shall continue to operate
22 until their authority to operate is superseded by
23 action of the governing body.

24 6. Upon the effective date of the adopted charter,
25 the county shall adopt the city-county consolidated
26 form of government by ordinance, and shall file a copy
27 with the secretary of state and maintain available
28 copies for public inspection.

29 7. Members of the governing body of the county and
30 of each consolidated city shall continue in office
31 until the members of the governing body of the city-
32 county consolidated form of government have been
33 elected and sworn into office, at which time the
34 offices of the former governing bodies shall be
35 abolished, and the terms of the members of the former
36 governing bodies shall be terminated. During the
37 period between the effective date of the charter and
38 the election and qualification of the elected members
39 of the new governing body, the former governing bodies
40 of each consolidated city and of the county shall
41 continue to perform their duties and shall assist in
42 planning the transition to the city-county
43 consolidated form of government.

44 8. If a city-county consolidation charter is
45 submitted to the electorate but is not adopted,
46 another charter shall not be submitted to the
47 electorate for at least two years from the date of the
48 election at which the charter was rejected. If a
49 city-county consolidation charter is adopted, a
50 proposed charter for another alternative form of

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1 county government shall not be submitted to the
2 electorate for at least six years from the date of the
3 election at which the charter was adopted.

4 Sec. 16. Section 331.250, Code 2003, is amended to
5 read as follows:

6 331.250 GENERAL POWERS OF CONSOLIDATED LOCAL
7 GOVERNMENTS.

8 The consolidation charter shall provide for the
9 delivery of services to specified areas of the
10 consolidated local government county and of each
11 consolidated city. The governing body of the
12 consolidated government shall administer supervise the
13 administration of the provision of services in each of
14 the designated service areas and shall have the
15 authority to determine the boundaries of the service
16 areas. For each service provided by the consolidated
17 government, the consolidated government shall assume
18 the same statutory rights, powers, and duties relating
19 to the provision of the service as if the county or
20 the member city were itself providing the service to
21 its citizens.

22 Sec. 17. Section 331.251, Code 2003, is amended to
23 read as follows:

24 331.251 RULES, ORDINANCES, AND RESOLUTIONS OF
25 CONSOLIDATED UNIT GOVERNMENT.

26 Within two years after ratification of the
27 consolidation, the governing body of the consolidated
28 unit of local government shall revise, repeal, or
29 reaffirm all rules, ordinances, and resolutions in
30 force within the participating county and cities at
31 the time of consolidation. Each rule, ordinance, or
32 resolution in force within a county or within a city
33 at the time of consolidation shall remain in force
34 within the former geographic jurisdiction that county
35 or within that city until superseded by action of the
36 new governing body, unless the rule, ordinance, or
37 resolution is in conflict with a provision of the
38 charter, in which case, the charter provision shall
39 supersede the conflicting rule, ordinance, or
40 resolution. Ordinances and resolutions relating to
41 public improvements to be paid for in whole or in part
42 by special assessments shall remain in effect until
43 paid in full.

44 Sec. 18. Section 331.252, Code 2003, is amended to
45 read as follows:

46 331.252 FORM OF BALLOT -- CITY-COUNTY
47 CONSOLIDATION.

48 The question of city-county consolidation shall be
49 submitted to the electors in substantially the
50 following form:

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1 Should the corporate existence and governments of
2 the county of and the cities of and
3 be consolidated into one joint city-county
4 corporation government charter described below be
5 adopted for (insert name of county and each city.
6 proposing to consolidate)?

7 If section 331.247, subsection 4, applies, the
8 following question shall be placed on the ballot of
9 each participating city:

10 Should the (name of city or second county)
11 participate in the consolidation charter?

12 The ballot must contain a brief description and
13 summary of the proposed charter ~~or amendment.~~

14 Sec. 19. Section 331.254, subsection 7, Code 2003,
15 is amended to read as follows:

16 7. The merger of the elective offices of each
17 consolidating county with the election of new officers
18 within sixty days after the effective date of the
19 charter which shall specifically provide whether the
20 election of new officers shall be on a partisan or
21 nonpartisan basis, notwithstanding section 331.238,
22 subsection 3. The elections shall be conducted by the
23 county commissioner of elections of each county. No
24 primary election shall be held. Nominations shall be
25 made pursuant to section 43.78 and chapters 44 and 45,
26 as applicable, except that the filing deadline shall
27 be forty days before the election.

28 Sec. 20. Section 331.260, subsection 2, Code 2003,
29 is amended to read as follows:

30 2. A charter proposing a community commonwealth as
31 an alternative form of government may be submitted to
32 the voters only by a commission established under
33 section 331.232. A majority vote by the commission is
34 required for the submission of a charter proposing a
35 community commonwealth as an alternative form of local
36 government. The commission submitting a community
37 commonwealth form of government shall issue a final
38 report and proposal. ~~If an alternative form of~~
39 ~~government for a community commonwealth form of local~~
40 ~~government is proposed, approval of the commonwealth~~
41 ~~charter shall be a separate ballot issue from approval~~
42 ~~of the alternative form of government in those cities~~
43 ~~proposed to be included in the commonwealth. The~~
44 ~~commonwealth charter shall be effective in regard to a~~
45 ~~city government only if a majority of the voters of~~
46 ~~the city voting on the question voted for~~
47 participation in the commonwealth charter. Adoption
48 of the proposed community commonwealth charter
49 requires the approval of a majority of the votes cast
50 in the entire county. A city named on the ballot is

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1 included in the community commonwealth if the proposed
2 community commonwealth charter is approved by a
3 majority of the votes cast in the city.

4 The question of forming a community commonwealth
5 shall be submitted to the electorate in substantially
6 the same ~~form~~ manner as provided in section 331.247,
7 subsection 4, and section 331.252.

8 Sec. 21. Section 331.261, subsection 2, Code 2003,
9 is amended to read as follows:

10 2. An elective legislative body established in the
11 manner provided for county boards of supervisors under
12 sections 331.201 through 331.216 and section ~~331.238~~
13 331.248, subsection 2.

14 Sec. 22. Section 331.261, subsection 11, Code
15 2003, is amended to read as follows:

16 11. ~~The partisan~~ Notwithstanding section 331.238,
17 subsection 3, whether the election of community
18 commonwealth government officials shall be on a
19 partisan or nonpartisan basis.

20 Sec. 23. Section 331.261, unnumbered paragraph 2,
21 Code 2003, is amended to read as follows:

22 The community commonwealth charter may include
23 other provisions which the commission elects to
24 include and which are not inconsistent irreconcilable
25 with state law, including, but not limited to, those
26 provisions in section 331.248, subsection 4.

27 Sec. 24. Section 331.262, Code 2003, is amended by
28 adding the following new subsections:

29 NEW SUBSECTION. 1A. The adoption of the community
30 commonwealth form of government does not alter any
31 right or liability of the county or member city in
32 effect at the time of the election at which the
33 charter was adopted.

34 NEW SUBSECTION. 1B. All departments and agencies
35 of the county and of each member city shall continue
36 to operate until their authority to operate is
37 superseded by action of the governing body.

38 NEW SUBSECTION. 1C. All ordinances or resolutions
39 in effect remain effective until amended or repealed,
40 unless they are irreconcilable with the adopted
41 charter.

42 NEW SUBSECTION. 1D. Upon the effective date of
43 the adopted charter, the county shall adopt the
44 community commonwealth form of government by
45 ordinance, and shall file a copy with the secretary of
46 state and maintain available copies for public
47 inspection.

48 NEW SUBSECTION. 1E. Members of the governing body
49 of the county and of each member city shall continue
50 in office until the members of the governing body of

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1 the community commonwealth form of government have
2 been elected and sworn into office, at which time the
3 offices of the former governing bodies shall be
4 abolished, and the terms of the members of the former
5 governing bodies shall be terminated. During the
6 period between the effective date of the charter and
7 the election and qualification of the elected members
8 of the new governing body, the former governing bodies
9 of each member city and of the county shall continue
10 to perform their duties and shall assist in planning
11 the transition to the community commonwealth form of
12 government.

13 **NEW SUBSECTION. 1F.** If a community commonwealth
14 charter is submitted to the electorate but is not
15 adopted, another charter shall not be submitted to the
16 electorate for at least two years from the date of the
17 election at which the charter was rejected. If a
18 community commonwealth charter is adopted, a proposed
19 charter for another alternative form of county
20 government shall not be submitted to the electorate
21 for at least six years from the date of the election
22 at which the charter was adopted.

23 **Sec. 25. NEW SECTION. 331.264 LOCAL GOVERNMENT**
24 **ORGANIZATION REVIEW COMMITTEE.**

25 1. A local government organization review
26 committee may be created in a county. The committee
27 shall be composed of the following members:

28 a. Three city council members appointed by the
29 city council of each participating city with a
30 population of twenty-five thousand or more.

31 b. Three county supervisors appointed by the
32 county board of supervisors.

33 c. One city council member appointed by each
34 participating city with a population of less than
35 twenty-five thousand.

36 d. One member shall be appointed by each state
37 legislator whose legislative district is located in
38 the county if a majority of the constituents of that
39 legislative district reside in the county. However,
40 if a county does not have a state representative's
41 legislative district which has a majority of a state
42 representative's constituency residing in the county,
43 the state representative having the largest plurality
44 of constituents residing in the county shall appoint a
45 member. The member appointed by each state legislator
46 shall be a person who is not holding elected office
47 and who is a resident of the legislative district of
48 the state legislator. If any portion of a legislative
49 district is in the unincorporated area of the county,
50 the member appointed by that legislator shall be a

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1 resident of the unincorporated area of the county.
2 e. Three members appointed by the township
3 trustees of all the townships in the county and an
4 additional member appointed by the township trustees
5 for each five percent of the total population of the
6 county residing in the unincorporated area of the
7 county. The members shall be residents of the
8 unincorporated area of the county and shall be persons
9 who are not holding elected office other than that of
10 township trustee. The county auditor shall determine
11 the date and location for a meeting of the township
12 trustees of all the townships in the county at which
13 meeting the appointments shall be made and shall
14 provide written notice of the meeting to the trustees.
15 The meeting shall be held in accordance with chapter
16 21.

17 Organization and expenses of the committee are
18 subject to section 331.234 as if the committee were a
19 city-county consolidation or community commonwealth
20 commission. Sections 69.16 and 69.16A shall not apply
21 to the committee. However, a city allowed more than
22 one appointment shall balance its appointments in
23 accordance with sections 69.16 and 69.16A, when
24 possible.

25 2. Members shall be appointed to the organization
26 review committee within thirty days after any of the
27 following occurs:

28 a. The county board of supervisors and each city
29 council in the county adopt a joint resolution calling
30 for appointment of members to the committee and files
31 the resolution with the county board of supervisors.

32 b. The county board of supervisors in a county
33 adopts a resolution calling for appointment of members
34 to the committee.

35 c. A petition signed by eligible electors of the
36 county equal in number to at least twenty-five percent
37 of the votes cast in the county for the office of
38 president of the United States or governor at the
39 preceding general election or the signatures of at
40 least ten thousand eligible electors of the county,
41 whichever number is fewer, is filed with the county
42 board of supervisors.

43 3. Within seven months after the organization of
44 the organization review committee, the committee shall
45 submit a preliminary report to the county board of
46 supervisors with a recommendation as to what the
47 committee believes to be the best proposal for an
48 alternative form of government for the county. The
49 auditor's office shall make the report available to
50 the public upon request. A summary of the report

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1 shall be published in the official newspapers of the
2 county and in a newspaper of general circulation in
3 each participating city.

4 4. If the committee report recommends a city-
5 county consolidation or community commonwealth, the
6 committee shall continue its existence and be
7 designated, and operate with the powers and duties of,
8 a commission created pursuant to section 331.233A. If
9 the committee report recommends a multicounty
10 consolidation, the committee shall continue its
11 existence and be designated, and operate with the
12 powers and duties of, a commission created pursuant to
13 section 331.233. If the committee recommends an
14 alternative form of government, that recommendation
15 shall state whether elections conducted under that
16 form of government shall be partisan or nonpartisan.

17 5. This section does not apply to a county in
18 which a charter commission has been established and is
19 operating as of July 1, 2003.

20 Sec. 26. Section 372.1, Code 2003, is amended by
21 adding the following new subsections:

22 NEW SUBSECTION. 7. City-county consolidated form
23 as provided in sections 331.247 through 331.252.

24 NEW SUBSECTION. 8. Community commonwealth as
25 provided in sections 331.260 through 331.263.

26 Sec. 27. Section 372.2, unnumbered paragraph 1,
27 Code 2003, is amended to read as follows:

28 A Unless otherwise provided by law, a city may
29 adopt a different form of government not more often
30 than once in a six-year period. A different form,
31 other than a home rule charter, or special charter,
32 city-county consolidated form of government, or
33 community commonwealth must be adopted as follows:

34 Sec. 28. IMPLEMENTATION OF ACT. Section 25B.2,
35 subsection 3, shall not apply to this Act.

36 Sec. 29. EFFECTIVE AND APPLICABILITY DATES. This
37 Act, being deemed of immediate importance, takes
38 effect upon enactment and applies to charter
39 commissions in existence on the effective date of this
40 Act."

Amendment H-1176 was adopted.

SENATE FILE 390 SUBSTITUTED FOR HOUSE FILE 646

Elgin of Linn asked and received unanimous consent to substitute
Senate File 390 for House File 646.

Senate File 390, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions, was taken up for consideration.

Jochum of Dubuque asked and received unanimous consent that amendment H-1193 be deferred.

Hogg of Linn asked and received unanimous consent to withdraw amendment H-1164 filed by him on March 25, 2003.

Elgin of Linn asked and received unanimous consent to withdraw amendment H-1233 filed by him on April 2, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendments H-1594 and H-1601 filed by him from the floor.

Hogg of Linn asked and received unanimous consent that amendments H-1165, 1169 and 1166 be deferred.

Van Engelenhoven of Marion asked and received unanimous consent to withdraw amendment H-1181 filed by him on March 27, 2003.

Hogg of Linn asked and received unanimous consent that amendment H-1167 be deferred.

Van Engelenhoven of Marion asked and received unanimous consent to withdraw amendment H-1191 filed by Van Engelenhoven of Marion, et al., on March 27, 2003, placing out of order amendment H-1203 filed by Wise of Lee on March 31, 2003.

Mertz of Kossuth offered the following amendment H-1451 filed by her and moved its adoption:

H-1451

- 1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 7, by striking lines 19 through 31, and
4 inserting the following:
5 "4. If an alternative form of government for a
6 consolidated unit of local government is proposed,
7 approval of the consolidation charter shall be a
8 separate ballot issue from approval of the alternative
9 form of government in those cities proposed to be
10 included in the consolidation. The consolidation
11 charter shall be effective in regard to a city
12 government only if a majority of the voters of the
13 city voting on the question voted for participation in
14 the consolidation charter. The consolidation charter
15 is adopted only if all of the following apply:
16 a. A majority of the votes cast in the
17 unincorporated area of the county approves the
18 proposal.
19 b. A majority of the votes cast in the entire
20 county approves the proposal.
21 c. A majority of the votes cast in at least one
22 city named on the ballot approves the proposal."
23 2. Page 17, by striking lines 8 through 13, and
24 inserting the following: "participation in the
25 commonwealth charter. The community commonwealth
26 charter is adopted only if all of the following apply:
27 a. A majority of the votes cast in the
28 unincorporated area of the county approves the
29 proposal.
30 b. A majority of the votes cast in the entire
31 county approves the proposal.
32 c. A majority of the votes cast in at least one
33 city named on the ballot approves the proposal."

Roll call was requested by Mertz of Kossuth and Huser of Polk.

Rule 75 was invoked.

On the question "Shall amendment H-1451 be adopted?" (S.F. 390)

The ayes were, 48:

| | | | |
|----------|----------|----------|---------|
| Bell | Berry | Cohoon | Connors |
| Dandekar | Davitt | Eichhorn | Fallon |
| Foege | Ford | Frevert | Gaskill |
| Granzow | Greimann | Heaton | Heddens |
| Hogg | Hunter | Huser | Jochum |

| | | | |
|------------|------------|-----------|-----------|
| Kuhn | Lensing | Lykam | Mascher |
| McCarthy | Mertz | Miller | Murphy |
| Myers | Oldson | Olson, D. | Osterhaus |
| Petersen | Quirk | Reasoner | Shoultz |
| Smith | Stevens | Struyk | Swaim |
| Taylor, D. | Taylor, T. | Thomas | Wendt |
| Whitaker | Whitead | Winckler | Wise |

The nays were, 51:

| | | | |
|-----------|------------------|-----------------------|------------------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Bogges | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Elgin | Freeman | Gipp |
| Greiner | Hahn | Hansen | Hanson |
| Hoffman | Horbach | Huseman | Hutter |
| Jacobs | Jenkins | Jones | Klemme |
| Kramer | Kurtenbach | Lalk | Lukan |
| Maddox | Manternach | Olson, S. | Paulsen |
| Raecker | Rants, Spkr. | Rasmussen | Rayhons |
| Sands | Schickel | Tjepkes | Tymeson |
| Upmeyer | Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. |
| Watts | Wilderdyke | Roberts, Presiding | |

Absent or not voting, 1:

Bukta

Amendment H-1451 lost.

Hogg of Linn asked and received unanimous consent that amendment H-1168 be deferred.

Van Engelenhoven of Marion asked and received unanimous consent to withdraw amendment H-1179 filed by Van Engelenhoven, et al., on March 26, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendment H-1182 filed by him on March 27, 2003.

Elgin of Linn asked and received unanimous consent to withdraw amendment H-1232 filed by him on April 2, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendment H-1178 filed by him on March 26, 2003.

Wise of Lee asked and received unanimous consent to withdraw amendment H-1206 filed by him on March 31, 2003.

Jochum of Dubuque offered the following amendment H-1193, previously deferred, filed by her and moved its adoption:

H-1193

1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:

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

5 "Section 1. Section 331.210A, subsection 2, Code
6 2003, is amended by adding the following new
7 paragraph:

8 NEW PARAGRAPH. f. (1) Notwithstanding the
9 provisions of this section to the contrary, a county
10 that has adopted a charter for a city-county
11 consolidated form of government or a community
12 commonwealth form of government and which charter
13 provides for representation by districts, the
14 legislative service bureau, and not the temporary
15 county redistricting commission, shall draw a first or
16 second plan as necessary and required by paragraph "a"
17 pursuant to a contract executed with the county. The
18 plan drawn by the legislative service bureau shall be
19 based upon the precinct plan adopted for use by the
20 county and shall be drawn in accordance with section
21 42.4, to the extent applicable.

22 (2) The plan drawn by the legislative service
23 bureau shall be submitted to the temporary county
24 redistricting commission which shall not amend the
25 plan and which shall perform the duties required by
26 paragraphs "b" and "c" concerning the plan. The
27 temporary county redistricting commission shall accept
28 the plan in total or it may request and contract to
29 have a second plan prepared by the legislative service
30 bureau. In doing so, the temporary county
31 redistricting commission shall state its objections to
32 the first plan in writing.

33 (3) After the requirements of paragraphs "b" and
34 "c" have been met with respect to either a first or
35 second plan, the plan drawn by the legislative service
36 bureau and accepted by the temporary county
37 redistricting commission shall be submitted to the
38 governing body for its approval or rejection. If the
39 plan drawn by the legislative service bureau and
40 accepted by the temporary county redistricting
41 commission is rejected by the governing body, the
42 governing body may consider and accept the other plan

43 submitted by the legislative service bureau to the
44 temporary county redistricting commission, if any, or
45 shall direct the temporary county redistricting
46 commission to prepare another plan as provided by
47 paragraph "d".
48 Sec. 2. Section 331.231, subsection 5, Code 2003,
49 is amended to read as follows:
50 5. City-county consolidated form as provided in

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1 ~~section sections~~ 331.247 through 331.252.
2 Sec. 3. Section 331.232, subsection 3, Code 2003,
3 is amended to read as follows:
4 3. An alternative form of county government shall
5 be submitted to the ~~county~~ electorate by the
6 commission in the form of a charter or charter
7 amendment.
8 Sec. 4. Section 331.234, subsections 3 and 4, Code
9 2003, are amended to read as follows:
10 3. The board shall make available to the
11 commission in-kind services such as office space,
12 printing, supplies, and equipment ~~and. The county~~
13 shall pay from the segregated account established in
14 subsection 4, the other necessary expenses of the
15 commission including compensation for secretarial,
16 clerical, professional, and consultant services. The
17 total annual expenses, not including the value of in-
18 kind expenses, to be paid from public funds shall not
19 exceed one hundred thousand dollars or an amount equal
20 to thirty cents times the population of the commission
21 area, according to the most recent certified federal
22 census. The commission may employ staff as necessary.
23 4. The expenses of the commission ~~may be paid from~~
24 ~~the general fund of the county~~ shall be paid by each
25 city and county participating in the charter process
26 or from any combination of public or private funds
27 available for that purpose. Each city's share shall
28 be its pro rata share of the expenses based upon the
29 ratio that the population of the city bears to the
30 total population in the county. The county's share
31 shall be its pro rata share of expenses based upon the
32 ratio that the population of the unincorporated area
33 of the county bears to the total population of the
34 county. The amount paid by each city and county
35 participating in the charter process shall be
36 deposited in a segregated account maintained by the
37 county. The commission's annual expenses may exceed
38 the amount in subsection 3 only if the excess is paid
39 from private funds. If a proposed charter is
40 submitted to the electorate, private funds donated to
41 the commission may be used to promote passage of the

42 proposed charter.

43 Sec. 5. Section 331.235, Code 2003, is amended to
44 read as follows:

45 331.235 COMMISSION PROCEDURES AND REPORTS.

46 1. Within sixty days after its organization, the
47 commission shall hold at least one public hearing for
48 the purpose of receiving information and material
49 which will assist in the drafting of a charter.
50 Notice of the date, time, and place of the hearing

Page 3

1 shall be given as provided in chapter 21. If the
2 commission is created pursuant to section 331.264,
3 subsection 4, the hearing shall be held thirty days
4 after submission of the preliminary report to the
5 board, pursuant to section 331.264, subsection 3.

6 2. Within nine months after the organization of
7 the commission, the commission shall submit a
8 preliminary report to the board, which report may
9 include the text of the proposed charter. If a
10 proposed charter is included in the preliminary
11 report, the report shall also include an analysis of
12 the fiscal impact of the proposed charter. Sufficient
13 copies of the report shall be made available for
14 distribution to residents of the county who request a
15 copy. The commission shall hold at least one public
16 hearing after submission of the preliminary report to
17 obtain public comment. This subsection does not apply
18 if the commission is created pursuant to section
19 331.264, subsection 4.

20 3. Within twenty months after organization, the
21 commission shall submit the final report to the board.
22 If the commission is created pursuant to section
23 331.264, subsection 4, the commission shall submit the
24 final report to the board within five months after
25 submission of the preliminary report to the board
26 pursuant to section 331.264, subsection 3. A
27 commission created pursuant to section 331.264,
28 subsection 4, may adopt a motion granting itself a
29 sixty-day extension of time for submission of its
30 final report. If the commission recommends a charter
31 including a form of government other than the existing
32 form of government, the final report shall include the
33 full text and an explanation of the proposed charter,
34 a statement of alternatives considered including but
35 not limited to the potential for agreements under
36 chapter 28E, a statement that the elected officers
37 shall be elected on a partisan basis, an analysis of
38 the fiscal impact of the proposed charter, any
39 comments deemed desirable by the commission, and any
40 minority reports. The final report may recommend no

41 change to the existing form of government and that no
42 charter be submitted to the electorate, in which case,
43 the report shall state the reasons for and against a
44 change in the existing form of government. The final
45 report shall be made available to the residents of the
46 county upon request. A summary of the final report
47 shall be published in the official newspapers of the
48 county and in a newspaper of general circulation in
49 each participating city.

50 4. The commission is dissolved on the date of the

Page 4

1 general election at which the proposed charter is
2 submitted to the electorate. However, if a charter
3 proposing the city-county consolidated form or the
4 community commonwealth form is adopted, the commission
5 is dissolved on the date that the terms of office of
6 the members of the governing body for the alternative
7 form of government commence. If a charter is not
8 recommended, the commission is dissolved upon
9 submission of its final report to the board.

10 Sec. 6. Section 331.237, subsection 3, Code 2003,
11 is amended to read as follows:

12 3. If a charter is submitted to the electorate but
13 is not adopted, another charter shall not be submitted
14 to the electorate for ~~two~~ six years. If a charter is
15 adopted, it may be amended at any time. If a charter
16 is adopted, a proposed charter for another alternative
17 form of county government shall not be submitted to
18 the electorate for six years.

19 Sec. 7. Section 331.237, Code 2003, is amended by
20 adding the following new subsection:

21 NEW SUBSECTION. 4. Subsections 2 and 3 do not
22 apply to the city-county consolidated form of
23 government or the community commonwealth form of
24 government.

25 Sec. 8. Section 331.238, Code 2003, is amended by
26 adding the following new subsection:

27 NEW SUBSECTION. 4. Subsections 1 and 2 do not
28 apply to the city-county consolidated form of
29 government or the community commonwealth form of
30 government.

31 Sec. 9. Section 331.244, Code 2003, is amended by
32 adding the following new subsection:

33 NEW SUBSECTION. 3. This section does not apply to
34 the city-county consolidated form of government.

35 Sec. 10. Section 331.247, Code 2003, is amended to
36 read as follows:

37 331.247 CITY-COUNTY CONSOLIDATION FORM.

38 1. a county and one or more cities within the
39 county may unite to form a single unit of local

40 government in accordance with this part. A commission
41 appointed pursuant to section 331.233A may propose a
42 charter under which a county and one or more cities
43 within the county may unite to form a single unit of
44 local government, or may propose a charter under which
45 a county and one or more cities within the county may
46 form a combined governance structure for the county
47 and such cities in accordance with this part. The
48 charter shall declare whether the form is a merger of
49 a county and one or more cities to form a single unit
50 of local government or whether the form establishes a

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1 combined government structure of a county and one or
2 more cities. Either option proposed shall be referred
3 to as a city-county consolidated form of government.
4 If more than fifty percent of the population of a city
5 resides within the affected county, it is a city
6 within the county for the purposes of this section and
7 may continue its status as a city within the county
8 even if the population of such city falls below the
9 fifty percent threshold in a future census.

10 2. An alternative form of government, including a
11 charter form, for a consolidated unit of government
12 may be submitted to the voters only by a commission
13 established under this chapter. A majority vote by
14 the charter commission is required for the submission
15 to the electorate of an alternative form of government
16 for a consolidated unit of local government proposed
17 charter for a city-county consolidated form of
18 government. The charter commission submitting a
19 consolidated form shall issue a final report and
20 proposal.

21 3. An alternative form of government for a A city-
22 county consolidated unit of local government form of
23 government does not need to include more than one
24 city. A city shall not be included unless the city
25 participates in the commission process, and a majority
26 of the electors of the affected city voting approves
27 the proposed charter for the consolidated government.

28 4. If an alternative form of government for a
29 consolidated unit of local government is proposed,
30 approval of the consolidation charter shall be a
31 separate ballot issue from approval of the alternative
32 form of government in those cities proposed to be
33 included in the consolidation. The consolidation
34 charter shall be effective in regard to a city
35 government only if a majority of the voters of the
36 city voting on the question voted for participation in
37 the consolidation charter. A city named on the ballot
38 shall consolidate with the county if a majority of the

39 votes cast in the city on the proposal approves the
40 proposal. If one or more cities named on the ballot
41 approves the proposal, the charter is adopted if both
42 a majority of the votes cast in the unincorporated
43 area of the county approves the proposal and a
44 majority of the votes cast in the entire county
45 approves the proposal.

46 5. A city may request to join an existing city-
47 county consolidated government by resolution of the
48 city council or upon petition of eligible electors of
49 the city equal in number to at least twenty-five
50 percent of the persons who voted at the last general

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1 ~~election for the office of governor or president of~~
2 ~~the United States, whichever is fewer regular city~~
3 ~~election.~~ Within fifteen days after receiving a valid
4 petition, the city council of the petitioning city
5 shall adopt a resolution in favor of participation and
6 ~~shall immediately, within ten days of adoption,~~
7 forward the resolution to the legislative governing
8 body of the city-county consolidated government. If a
9 majority of the ~~city-county consolidated legislative~~
10 governing body of the city-county consolidated
11 government approves the resolution, the question of
12 joining the city-county consolidated government shall
13 be submitted to the electorate of the petitioning city
14 within sixty days after approval of the resolution.

15 6. a. If a charter is adopted, it may be amended
16 at any time by one of the following methods:

17 (1) The governing body of the city-county
18 consolidated form of government, by resolution, may
19 submit a proposed amendment to the voters at a general
20 election, and the proposed amendment becomes effective
21 upon approval by a majority of those voting.

22 (2) The governing body of the city-county
23 consolidated form of government, by ordinance, may
24 amend the charter. However, within thirty days
25 following publication of the ordinance, if a petition
26 valid under the provisions of section 331.306 is filed
27 with the governing body of the city-county
28 consolidated form of government, the governing body
29 must submit the charter amendment to the voters at the
30 next general election and, in such an event, the
31 amendment becomes effective only upon approval of a
32 majority of those voting within the city-county
33 consolidated area.

34 (3) If a petition valid under the provisions of
35 section 331.306 filed with the governing body of the
36 city-county consolidated form of government, proposing
37 an amendment to the charter, the governing body must

38 submit the proposed amendment to the voters at a
39 general election and, in such an event, the amendment
40 becomes effective only upon approval of a majority of
41 those voting within the city-county consolidated area.
42 b. If an election is held, the governing body
43 shall submit the question of amending the charter to
44 the electors in substantially the following form:
45 Should the amendment described below be adopted for
46 the city-county consolidated charter of (insert name
47 of county and of each consolidated city)?
48 The ballot must contain a brief description and
49 summary of the proposed amendment.
50 c. An amendment shall not adopt an alternative

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1 form of county government but an amendment may allow
2 the governing body of a city-county consolidated form
3 of government that has a combined governance structure
4 to adopt a city-county consolidated form of government
5 under which a county and one or more cities within the
6 county unite to form a single unit of local
7 government.

8 Sec. 11. Section 331.248, subsection 1, Code 2003,
9 is amended to read as follows:

10 1. The charter commission proposing ~~consolidation~~
11 a city-county consolidated form of government shall
12 prepare, adopt, and submit cause to be submitted to
13 the voters ~~a consolidation the charter including an~~
14 alternative form of government.

15 Sec. 12. Section 331.248, subsection 2, Code 2003,
16 is amended to read as follows:

17 2. The ~~consolidation~~ charter for a city-county
18 consolidated form of government shall:

19 a. Provide for adjustment of existing bonded
20 indebtedness and other obligations in a manner which
21 will provide for a fair and equitable burden of
22 taxation for debt service.

23 b. Provide for establishment of service areas,
24 except that formation of a city-county ~~consolidation~~
25 government consolidated form of government shall not
26 affect the assignment of electric utility service
27 territories pursuant to chapter 476, and shall not
28 affect the rights of a city to grant a franchise under
29 chapter 364.

30 c. Provide for the transfer or other disposition
31 of property and other rights, claims, assets, and
32 franchises of ~~local governments~~ the county and each
33 city consolidated under the alternative form.

34 d. Provide the official name of the city-county
35 consolidated unit of local government form of
36 government.

37 e. Provide for the transfer, reorganization,
38 abolition, absorption, and adjustment of boundaries of
39 all existing boards, bureaus, commissions, agencies,
40 special districts, and political subdivisions of the
41 city-county consolidated form of government.
42 ~~f. Include other provisions which the county~~
43 ~~charter commission and the city charter commission~~
44 ~~elect to include and which are not inconsistent with~~
45 ~~state law. Provide for the exercise of home rule~~
46 ~~power and authority not inconsistent with state law.~~
47 g. Provide for a governing body of an odd number
48 of members, not less than five, but which may exceed
49 the number of members specified in sections 331.201,
50 331.203, and 331.204. The titles of the members of

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1 the governing body shall be determined by the charter.
2 h. Provide for a representation plan for the
3 governing body which representation plan may differ
4 from the representation plans provided in section
5 331.206 and in chapter 372. If the plan calls for
6 representation by districts, the plan shall be drawn
7 pursuant to section 331.210A, subsection 2, paragraph
8 "f". The initial representation plan shall be drawn
9 as provided in section 331.210A, subsection 2,
10 paragraph "f", within ninety days after the election
11 at which the charter is approved. For the initial
12 representation plan, the charter commission shall
13 assume the role of the governing body for purposes of
14 this paragraph and section 331.210A, subsection 2,
15 paragraphs "d" through "f".
16 i. Provide for the initial compensation for
17 members of the governing body and for a method of
18 changing the compensation.
19 j. Provide for the partisan election of its
20 officers.
21 Sec. 13. Section 331.248, Code 2003, is amended by
22 adding the following new subsection:
23 **NEW SUBSECTION. 4.** The consolidation charter may
24 include other provisions which the commission elects
25 to include and which are not irreconcilable with state
26 law. These provisions may include but are not limited
27 to the following:
28 a. Provide for a method of selecting officers of
29 the governing body and fixing their terms of office
30 which may differ from the requirements of sections
31 331.208 through 331.211 and the provisions of chapter
32 372.
33 b. Provide for meetings of the governing body and
34 rules of procedure which may differ from the
35 requirements of section 331.213, except that the

36 meetings shall be scheduled and conducted in
37 compliance with chapter 21.

38 c. Provide for combining the duties of elected
39 officials of the county, for eliminating elected
40 offices and the assumption of the duties of those
41 offices by appointed officials, and for adding to,
42 deleting, or otherwise changing the duties of
43 officials, elected or otherwise, of the county and
44 each consolidated city.

45 d. Provide for the organization of city and county
46 departments, agencies, or boards. The organization
47 plan may provide for the abolition or consolidation of
48 a department, agency, board, or commission and the
49 assumption of its powers and duties by the governing
50 body or by another department, agency, board, or

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1 commission. This paragraph does not apply to the
2 board of trustees of a county hospital.

3 e. Provide for a method for the governing body or
4 another office to exercise the powers and duties of
5 the township trustees, in lieu of their election or
6 appointment.

7 Sec. 14. Section 331.249, Code 2003, is amended to
8 read as follows:

9 331.249 EFFECT OF CONSOLIDATION.

10 1. ~~a. The consolidation of one or more cities and~~
11 ~~one or more counties shall create a unified government~~
12 ~~which includes a municipal corporation and a county.~~
13 ~~A city-county consolidated form of government under~~
14 ~~which a county and one or more cities within the~~
15 ~~county unite to form a single unit of local government~~
16 ~~shall create a unified government which includes a~~
17 ~~municipal corporation and a county.~~ The consolidated
18 unit shall have the separate status of a county and a
19 city for all purposes and shall constitute two
20 political subdivisions, a consolidated city and a
21 county, under combined governance. The consolidated
22 unit shall retain one separate constitutional debt
23 limitation with respect to its status as a city and a
24 separate constitutional debt limitation with respect
25 to its status as a county.

26 ~~b. The governing body of a city-county~~
27 ~~consolidated form of government under which a county~~
28 ~~and one or more cities within the county form a~~
29 ~~combined governance structure shall have, with respect~~
30 ~~to the county, the power and authority of the board of~~
31 ~~supervisors of a county, and, with respect to each~~
32 ~~city, the power and authority of the city council of a~~
33 ~~city. Each consolidated city and the county~~
34 ~~constitute separate political subdivisions. Each~~

35 consolidated city and the county shall retain a
36 separate constitutional debt limitation and shall each
37 have the authority to issue bonds and incur financial
38 obligations in accordance with the provisions of state
39 law applicable to a city or a county, respectively.
40 2. A The city-county consolidated unit of local
41 government form of government may include an area
42 which is located in another county, but which is
43 within the corporate boundaries of one of the
44 consolidated cities. County services ~~shall~~ may be
45 provided in the extra-county area and taxes to fund
46 those services ~~shall~~ may be collected in the extra-
47 county area by the consolidated government, to the
48 extent permitted by the Constitution of the State of
49 Iowa. In addition to the right to vote in the county
50 of residence, electors residing in the extra-county

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1 area shall have the right to vote on any matter
2 related to the city-county consolidated unit of local
3 form of government, including election of its
4 officials governing body.
5 If a city-county consolidation charter is proposed,
6 within ninety days following the final report of the
7 commission, a resident or property owner of the
8 commission area proposed to be consolidated may bring
9 an action in district court for declaratory judgment
10 to determine the legality of the proposed charter and
11 to otherwise declare the effect of the charter. The
12 court shall expedite its review and determination in
13 this matter. The referendum on the proposed charter
14 shall be stayed during pendency of the action and for
15 such additional time during which the proposed charter
16 or its enabling legislation does not conform to the
17 Constitution or laws of the State of Iowa. If in its
18 final judgment the court determines that the proposed
19 charter fails to conform to the Constitution or laws
20 of this state, the commission shall have a period of
21 six months in which to revise and resubmit the
22 proposed charter.
23 3. All provisions of law authorizing contributions
24 of any kind, in money or otherwise, from the state or
25 federal government to counties and cities shall remain
26 in full force with respect to each city and the county
27 comprising a city-county consolidated local form of
28 government.
29 4. The adoption of the city-county consolidated
30 form of government does not alter any right or
31 liability of the county or consolidated city in effect
32 at the time of the election at which the charter was
33 adopted.

34 5. All departments and agencies of the county and
35 of each consolidated city shall continue to operate
36 until their authority to operate is superseded by
37 action of the governing body.
38 6. Upon the effective date of the adopted charter,
39 the county shall adopt the city-county consolidated
40 form of government by ordinance, and shall file a copy
41 with the secretary of state and maintain available
42 copies for public inspection.
43 7. Members of the governing body of the county and
44 of each consolidated city shall continue in office
45 until the members of the governing body of the city-
46 county consolidated form of government have been
47 elected and sworn into office, at which time the
48 offices of the former governing bodies shall be
49 abolished, and the terms of the members of the former
50 governing bodies shall be terminated. During the

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1 period between the effective date of the charter and
2 the election and qualification of the elected members
3 of the new governing body, the former governing bodies
4 of each consolidated city and of the county shall
5 continue to perform their duties and shall assist in
6 planning the transition to the city-county
7 consolidated form of government.
8 8. If a city-county consolidation charter is
9 submitted to the electorate but is not adopted,
10 another charter shall not be submitted to the
11 electorate for at least six years from the date of the
12 election at which the charter was rejected. If a
13 city-county consolidation charter is adopted, a
14 proposed charter for another alternative form of
15 county government shall not be submitted to the
16 electorate for at least six years from the date of the
17 election at which the charter was adopted.

18 Sec. 15. Section 331.250, Code 2003, is amended to
19 read as follows:

20 331.250 GENERAL POWERS OF CONSOLIDATED LOCAL
21 GOVERNMENTS.

22 The consolidation charter shall provide for the
23 delivery of services to specified areas of the
24 consolidated local government county and of each
25 consolidated city. The governing body of the
26 consolidated government shall administer supervise the
27 administration of the provision of services in each of
28 the designated service areas and shall have the
29 authority to determine the boundaries of the service
30 areas. For each service provided by the consolidated
31 government, the consolidated government shall assume
32 the same statutory rights, powers, and duties relating

33 to the provision of the service as if the county or
34 the member city were itself providing the service to
35 its citizens.

36 Sec. 16. Section 331.251, Code 2003, is amended to
37 read as follows:

38 331.251 RULES, ORDINANCES, AND RESOLUTIONS OF
39 CONSOLIDATED UNIT GOVERNMENT.

40 Within two years after ratification of the
41 consolidation, the governing body of the consolidated
42 unit of local government shall revise, repeal, or
43 reaffirm all rules, ordinances, and resolutions in
44 force within the participating county and cities at
45 the time of consolidation. Each rule, ordinance, or
46 resolution in force within a county or within a city
47 at the time of consolidation shall remain in force
48 within the former geographic jurisdiction that county
49 or within that city until superseded by action of the
50 new governing body, unless the rule, ordinance, or

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1 resolution is in conflict with a provision of the
2 charter, in which case, the charter provision shall
3 supersede the conflicting rule, ordinance, or
4 resolution. Ordinances and resolutions relating to
5 public improvements to be paid for in whole or in part
6 by special assessments shall remain in effect until
7 paid in full.

8 Sec. 17. Section 331.252, Code 2003, is amended to
9 read as follows:

10 331.252 FORM OF BALLOT – CITY-COUNTY
11 CONSOLIDATION.

12 The question of city-county consolidation shall be
13 submitted to the electors in substantially the
14 following form:

15 Should the corporate existence and governments of
16 the county of and the cities of and
17 be consolidated into one joint city-county
18 corporation government charter described below be
19 adopted for (insert name of county and each city
20 proposing to consolidate)?

21 If section 331.247, subsection 4, applies, the
22 following question shall be placed on the ballot of
23 each participating city:

24 Should the (name of city or second county)
25 participate in the consolidation charter?

26 The ballot must contain a brief description and
27 summary of the proposed charter or amendment.

28 Sec. 18. Section 331.254, subsection 7, Code 2003,
29 is amended to read as follows:

30 7. The merger of the elective offices of each
31 consolidating county with the election of new officers

32 within sixty days after the effective date of the
33 charter which shall specifically provide that the
34 election of new officers shall be on a partisan basis.
35 The elections shall be conducted by the county
36 commissioner of elections of each county. No primary
37 election shall be held. Nominations shall be made
38 pursuant to section 43.78 and chapters 44 and 45, as
39 applicable, except that the filing deadline shall be
40 forty days before the election.

41 ,Sec. 19. Section 331.260, subsection 2, Code 2003,
42 is amended to read as follows:

43 2. A charter proposing a community commonwealth as
44 an alternative form of government may be submitted to
45 the voters only by a commission established under
46 section 331.232. A majority vote by the commission is
47 required for the submission of a charter proposing a
48 community commonwealth as an alternative form of local
49 government. The commission submitting a community
50 commonwealth form of government shall issue a final

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1 report and proposal. ~~If an alternative form of~~
2 ~~government for a community commonwealth form of local~~
3 ~~government is proposed, approval of the commonwealth~~
4 ~~charter shall be a separate ballot issue from approval~~
5 ~~of the alternative form of government in those cities~~
6 ~~proposed to be included in the commonwealth. The~~
7 ~~commonwealth charter shall be effective in regard to a~~
8 ~~city government only if a majority of the voters of~~
9 ~~the city voting on the question voted for~~
10 ~~participation in the commonwealth charter. A city~~
11 named on the ballot shall be united with the county in
12 a community commonwealth if a majority of the votes
13 cast in the city on the proposal approves the
14 proposal. If one or more cities named on the ballot
15 approves the proposal, the charter is adopted if both
16 a majority of the votes cast in the unincorporated
17 area of the county approves the proposal and a
18 majority of the votes cast in the entire county
19 approves the proposal.

20 The question of forming a community commonwealth
21 shall be submitted to the electorate in substantially
22 the same ~~form~~ manner as provided in section 331.247,
23 subsection 4, and section 331.252.

24 Sec. 20. Section 331.261, subsection 2, Code 2003,
25 is amended to read as follows:

26 2. An elective legislative body established in the
27 manner provided for county boards of supervisors under
28 sections 331.201 through 331.216 and section ~~331.238~~
29 331.248, subsection 2.

30 Sec. 21. Section 331.261, unnumbered paragraph 2,

31 Code 2003, is amended to read as follows:

32 The community commonwealth charter may include
33 other provisions which the commission elects to
34 include and which are not inconsistent irreconcilable
35 with state law, including, but not limited to, those
36 provisions in section 331.248, subsection 4.

37 Sec. 22. Section 331.262, Code 2003, is amended by
38 adding the following new subsections:

39 NEW SUBSECTION. 1A. The adoption of the community
40 commonwealth form of government does not alter any
41 right or liability of the county or member city in
42 effect at the time of the election at which the
43 charter was adopted.

44 NEW SUBSECTION. 1B. All departments and agencies
45 of the county and of each member city shall continue
46 to operate until their authority to operate is
47 superseded by action of the governing body.

48 NEW SUBSECTION. 1C. All ordinances or resolutions
49 in effect remain effective until amended or repealed,
50 unless they are irreconcilable with the adopted

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1 charter.

2 NEW SUBSECTION. 1D. Upon the effective date of
3 the adopted charter, the county shall adopt the
4 community commonwealth form of government by
5 ordinance, and shall file a copy with the secretary of
6 state and maintain available copies for public
7 inspection.

8 NEW SUBSECTION. 1E. Members of the governing body
9 of the county and of each member city shall continue
10 in office until the members of the governing body of
11 the community commonwealth form of government have
12 been elected and sworn into office, at which time the
13 offices of the former governing bodies shall be
14 abolished, and the terms of the members of the former
15 governing bodies shall be terminated. During the
16 period between the effective date of the charter and
17 the election and qualification of the elected members
18 of the new governing body, the former governing bodies
19 of each member city and of the county shall continue
20 to perform their duties and shall assist in planning
21 the transition to the community commonwealth form of
22 government.

23 NEW SUBSECTION. 1F. If a community commonwealth
24 charter is submitted to the electorate but is not
25 adopted, another charter shall not be submitted to the
26 electorate for at least six years from the date of the
27 election at which the charter was rejected. If a
28 community commonwealth charter is adopted, a proposed
29 charter for another alternative form of county

30 government shall not be submitted to the electorate
31 for at least six years from the date of the election
32 at which the charter was adopted.
33 Sec. 23. NEW SECTION. 331.264 LOCAL GOVERNMENT
34 ORGANIZATION REVIEW COMMITTEE.
35 1. A local government organization review
36 committee may be created in a county. The committee
37 shall be composed of the following members:
38 a. Three city council members appointed by the
39 city council of each participating city with a
40 population of twenty-five thousand or more.
41 b. Three county supervisors appointed by the
42 county board of supervisors.
43 c. One city council member appointed by each
44 participating city with a population of less than
45 twenty-five thousand.
46 d. One member shall be appointed by each state
47 legislator whose legislative district is located in
48 the county if a majority of the constituents of that
49 legislative district reside in the county. However,
50 if a county does not have a state representative's

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1 legislative district which has a majority of a state
2 representative's constituency residing in the county,
3 the state representative having the largest plurality
4 of constituents residing in the county shall appoint a
5 member. The member appointed by each state legislator
6 shall be a person who is not holding elected office
7 and who is a resident of the legislative district of
8 the state legislator.
9 e. Three members appointed by the township
10 trustees of all the townships in the county and an
11 additional member appointed by the township trustees
12 for each five percent of the total population of the
13 county residing in the unincorporated area of the
14 county. The members shall be residents of the
15 unincorporated area of the county and shall be persons
16 who are not holding elected office other than that of
17 township trustee. The county auditor shall determine
18 the date and location for a meeting of the township
19 trustees of all the townships in the county at which
20 meeting the appointments shall be made and shall
21 provide written notice of the meeting to the trustees.
22 The meeting shall be held in accordance with chapter
23 21.
24 Organization and expenses of the committee are
25 subject to section 331.234 as if the committee were a
26 city-county consolidation or community commonwealth
27 commission. Sections 69.16 and 69.16A shall not apply
28 to the committee. However, a city allowed more than

- 29 one appointment shall balance its appointments in
30 accordance with sections 69.16 and 69.16A, when
31 possible.
- 32 2. Members shall be appointed to the organization
33 review committee within thirty days after any of the
34 following occurs:
- 35 a. The county board of supervisors and each city
36 council in the county adopt a joint resolution calling
37 for appointment of members to the committee and files
38 the resolution with the county board of supervisors.
- 39 b. The county board of supervisors in a county
40 adopts a resolution calling for appointment of members
41 to the committee.
- 42 c. A petition signed by eligible electors of the
43 county equal in number to at least twenty-five percent
44 of the votes cast in the county for the office of
45 president of the United States or governor at the
46 preceding general election or the signatures of at
47 least ten thousand eligible electors of the county,
48 whichever number is fewer, is filed with the county
49 board of supervisors.
- 50 3. Within seven months after the organization of

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- 1 the organization review committee, the committee shall
2 submit a preliminary report to the county board of
3 supervisors with a recommendation as to what the
4 committee believes to be the best proposal for an
5 alternative form of government for the county. The
6 auditor's office shall make the report available to
7 the public upon request. A summary of the report
8 shall be published in the official newspapers of the
9 county and in a newspaper of general circulation in
10 each participating city.
- 11 4. If the committee report recommends a city-
12 county consolidation or community commonwealth, the
13 committee shall continue its existence and be
14 designated, and operate with the powers and duties of,
15 a commission created pursuant to section 331.233A. If
16 the committee report recommends a multicounty
17 consolidation, the committee shall continue its
18 existence and be designated, and operate with the
19 powers and duties of, a commission created pursuant to
20 section 331.233.
- 21 5. This section does not apply to a county in
22 which a charter commission has been established and is
23 operating as of July 1, 2003.
- 24 Sec. 24. Section 372.1, Code 2003, is amended by
25 adding the following new subsections:
- 26 **NEW SUBSECTION. 7. City-county consolidated form**
27 **as provided in sections 331.247 through 331.252.**

28 **NEW SUBSECTION.** 8. Community commonwealth as
 29 provided in sections 331.260 through 331.263.
 30 Sec. 25. Section 372.2, unnumbered paragraph 1,
 31 Code 2003, is amended to read as follows:
 32 A Unless otherwise provided by law, a city may
 33 adopt a different form of government not more often
 34 than once in a six-year period. A different form,
 35 other than a home rule charter, or special charter,
 36 city-county consolidated form of government, or
 37 community commonwealth must be adopted as follows:
 38 Sec. 26. **IMPLEMENTATION OF ACT.** Section 25B.2,
 39 subsection 3, shall not apply to this Act.
 40 Sec. 27. **EFFECTIVE AND APPLICABILITY DATES.** This
 41 Act, being deemed of immediate importance, takes
 42 effect upon enactment and applies to charter
 43 commissions in existence on the effective date of this
 44 Act."

Roll call was requested by Mascher of Johnson and Raecker of Polk.

On the question "Shall amendment H-1193 be adopted?" (S.F. 390)

The ayes were, 45:

| | | | |
|-----------|------------|------------|-----------|
| Bell | Berry | Cohoon | Connors |
| Dandekar | Davitt | Fallon | Foege |
| Ford | Frevvert | Gaskill | Greimann |
| Heddens | Hogg | Hunter | Huser |
| Jochum | Kuhn | Lensing | Lykam |
| Mascher | McCarthy | Mertz | Miller |
| Murphy | Myers | Oldson | Olson, D. |
| Osterhaus | Petersen | Quirk | Reasoner |
| Shoultz | Smith | Stevens | Struyk |
| Swaim | Taylor, D. | Taylor, T. | Thomas |
| Wendt | Whitaker | Whitead | Winckler |
| Wise | | | |

The nays were, 54:

| | | | |
|--------------|-----------|---------|-----------|
| Alons | Arnold | Baudler | Boal |
| Boddicker | Bogges | Carroll | Chambers |
| De Boef | Dennis | Dix | Dolecheck |
| Drake | Eichhorn | Elgin | Freeman |
| Gipp | Granzow | Greiner | Hahn |
| Hansen | Hanson | Heaton | Hoffman |
| Horbach | Huseman | Hutter | Jacobs |
| Jenkins | Jones | Klemme | Kramer |
| Kurtenbach | Lalk | Lukan | Maddox |
| Manternach | Olson, S. | Paulsen | Raecker |
| Rants, Spkr. | Rasmussen | Rayhons | Sands |

| | | | |
|------------------|-----------------------|------------------|---------|
| Schickel | Tjepkes | Tymeson | Upmeyer |
| Van Engelenhoven | Van Fossen, J.K. | Van Fossen, J.R. | Watts |
| Wilderdyke | Roberts, Presiding | | |

Absent or not voting, 1:

Bukta

Amendment H-1193 lost.

Hogg of Linn offered the following amendment H-1165, previously deferred, filed by him and moved its adoption:

H-1165

- 1 Amend Senate File 390, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 4, line 8, by inserting after the word
- 4 "charter," the following: "a statement of
- 5 alternatives considered including but not limited to
- 6 the potential for agreements under chapter 28E."

Amendment H-1165 lost.

Hogg of Linn asked and received unanimous consent to withdraw amendment H-1169, previously deferred, filed by him on March 26, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendments H-1166 and H-1167, previously deferred, filed by him on March 25, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendment H-1168, previously deferred and filed by him on March 26, 2003.

Speaker Rants in the chair at 9:11 p.m.

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

On the question "Shall the bill pass?" (S.F. 390)

The ayes were, 52:

| | | | |
|------------------|---------|------------------|------------------|
| Alons | Baudler | Boal | Boddicker |
| Boggess | Carroll | Chambers | De Boef |
| Dennis | Dix | Dolecheck | Drake |
| Eichhorn | Elgin | Foege | Freeman |
| Gipp | Greiner | Hahn | Hansen |
| Hanson | Heaton | Hoffman | Horbach |
| Huseman | Hutter | Jacobs | Jenkins |
| Jones | Klemme | Kramer | Kurtenbach |
| Lalk | Lukan | Maddox | Manternach |
| Olson, S. | Raecker | Rasmussen | Rayhons |
| Roberts | Sands | Schickel | Tjepkes |
| Tymeson | Upmeyer | Van Engelenhoven | Van Fossen, J.K. |
| Van Fossen, J.R. | Watts | Wildurdyke | Mr. Speaker |
| | | | Rants |

The nays were, 47:

| | | | |
|------------|-----------|----------|------------|
| Arnold | Bell | Berry | Cohoon |
| Connors | Dandekar | Davitt | Fallon |
| Ford | Frevert | Gaskill | Granzow |
| Greimann | Heddens | Hogg | Hunter |
| Huser | Jochum | Kuhn | Lensing |
| Lykam | Mascher | McCarthy | Mertz |
| Miller | Murphy | Myers | Oldson |
| Olson, D. | Osterhaus | Paulsen | Petersen |
| Quirk | Reasoner | Shoultz | Smith |
| Stevens | Struyk | Swaim | Taylor, D. |
| Taylor, T. | Thomas | Wendt | Whitaker |
| Whitead | Winckler | Wise | |

Absent or not voting, 1:

Bukta

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

HOUSE FILE 646 WITHDRAWN

Elgin of Linn asked and received unanimous consent to withdraw House File 646 from further consideration by the House.

HOUSE FILE 700 WITHDRAWN

Dix of Butler asked and received unanimous consent to withdraw House File 700 from further consideration by the House.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 390** be immediately messaged to the Senate.

House File 517, a bill for an act relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing requirements, and providing effective and applicability dates, was taken up for consideration.

Freeman of Buena Vista offered the following amendment H-1350 filed by her and moved its adoption:

H-1350

- 1 Amend House File 517 as follows:
- 2 1. Page 1, line 4, by striking the figure "15.50"
- 3 and inserting the following: "17.00".
- 4 2. Page 1, line 8, by striking the figure "5.00"
- 5 and inserting the following: "7.50".
- 6 3. Page 1, line 16, by striking the figure
- 7 "14.00" and inserting the following: "15.50".
- 8 4. Page 2, by striking lines 2 through 6, and
- 9 inserting the following: "commission. The commission
- 10 may grant a permit to a community event in which trout
- 11 will be stocked in water which is not designated trout
- 12 water and a person may catch and possess trout during
- 13 the period and from the water covered by the permit
- 14 without having paid the trout fishing fee."

Amendment H-1350 was adopted.

SENATE FILE 348 SUBSTITUTED FOR HOUSE FILE 517

Freeman of Buena Vista asked and received unanimous consent to substitute Senate File 348 for House File 517.

Senate File 348, a bill for an act relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates, was taken up for consideration.

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

On the question "Shall the bill pass?" (S.F. 348).

The ayes were, 62:

| | | | |
|-----------|-------------|------------------|------------|
| Alons | Baudler | Bell | Berry |
| Boal | Boggess | Chambers | Connors |
| Davitt | De Boef | Dennis | Dolecheck |
| Drake | Elgin | Fallon | Foege |
| Freeman | Frevert | Gaskill | Gipp |
| Granzow | Greimann | Hansen | Hanson |
| Heddens | Hoffman | Hogg | Horbach |
| Hunter | Huseman | Jacobs | Jenkins |
| Jochum | Jones | Kuhn | Lensing |
| Lykam | Maddox | Mascher | Mertz |
| Miller | Myers | Olson, D. | Olson, S. |
| Osterhaus | Roberts | Shoultz | Smith |
| Stevens | Taylor, D. | Taylor, T. | Tjepkes |
| Tymeson | Upmeyer | Van Fossen, J.R. | Watts |
| Wendt | Whitaker | Whitead | Wilderdyke |
| Winckler | Mr. Speaker | | |
| | Rants | | |

The nays were, 37:

| | | | |
|----------|-----------|------------------|------------------|
| Arnold | Boddicker | Carroll | Cohoon |
| Dandekar | Dix | Eichhorn | Ford |
| Greiner | Hahn | Heaton | Huser |
| Hutter | Klemme | Kramer | Kurtenbach |
| Lalk | Lukan | Manternach | McCarthy |
| Murphy | Oldson | Paulsen | Petersen |
| Quirk | Raecker | Rasmussen | Rayhons |
| Reasoner | Sands | Schickel | Struyk |
| Swaim | Thomas | Van Engelenhoven | Van Fossen, J.K. |
| Wise | | | |

Absent or not voting, 1:

Bukta

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

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that Senate File 348 be immediately messaged to the Senate.

ADOPTION OF SENATE CONCURRENT RESOLUTION 20

Manternach of Jones asked and received unanimous consent for the immediate consideration of **Senate Concurrent Resolution 20**, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship, and moved its adoption.

The motion prevailed and the resolution was adopted.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate Concurrent Resolution 20** be immediately messaged to the Senate.

REMARKS BY THE MAJORITY LEADER

Majority Leader Chuck Gipp offered the following remarks:

Gayle Goble came to me this week asking if I had my speech written. Normally this is written and inserted by the people in the journal room who record this and it is published in the House Journal. My promise to Gayle at that time was simply this, "Gayle I haven't written a speech yet because I don't know how this session is going to end." How can I write speech on Monday when we have four major issues still hanging out there for the House to accomplish? The four major issues that we started with in this session.

I have talked to a number of people outside this lobby, former majority leaders and speakers and people that have been here in the past. And all of them said, "I've never been associated or seen a legislative session that was so difficult, with so many big issues to accomplish, and with all the right people here to do them." It is an amazing thing that we see in this House chamber year after year and this is my thirteenth year here. But you know what was unique about this session? The people of Iowa elected a governor, they elected a Democrat. The same people in Iowa elected the Republicans to control both the House and the Senate. But the common denominator about that election is the people that were elected were determined that what we needed to do was to work together to get something done, and something different done because Iowa is stagnant and Iowa wasn't growing. With a slow growth state we needed to do something different. So it was called bold or it was called good a few times this session and even last night, bold, good. We needed to do something different. We needed something different so that Iowa wouldn't continue to be an older and older state with kids like Allison and Barret Gipp, now living in Minnesota, continuing to leave this state, leaving Iowa with an older and older population. With a population base that was going to have to be asked to pay more taxes rather than increasing the tax base that just pays taxes to provide for the services.

This legislative session we addressed those issues which we hope, and I know, if adopted later on, will help turn this state around. There is a lot of people to thank about the accomplishments this session. About the property tax, about the income tax, about the values fund and about regulatory reform, which I know, and many of you do as well, is going to be the difference in changing this state to make sure that we are a growth friendly state so our young people can be citizens of Iowa the remainder of their lives. I think we have accomplished that. Unfortunately, tonight's sine die, tonight's going away isn't going to be that long, and we don't know how the rest of this story is going to end. But what I do know, is that I have a deep appreciation for everybody here and the part that you played in doing what I know needed to be done. The House did its work. At 109 days, we didn't leave early, we finished our work and I am proud of everybody here for that.

There are a number of people to thank, and it is everybody in this room, from the Pages to the staff, to the people in the well. Especially to my caucus staff, who does an excellent job and to the Democratic caucus staff who do such a great job serving your staff and your members of the House. I truly appreciate the cooperation that you give us and that our staff gives you. Jeff does a great job of selecting our caucus staff members and having them work in a coordinated effort to help make us look good. In my own office, I'm the luckiest guy that there is, because I had the wisdom to keep somebody in my office that has been in this place for a long, long time and that is Susan Severino. If I was able to accomplish anything this year it was because of the cordiality of my secretary, Sarah and the knowledge and the know-all of Susan Severino, who really runs this place. This is the last time that we are going to see the name of Susan Severino mentioned in the House Journal because Susan Severino is going to be back, but it won't be Susan Severino, because later on she is going to get married, and she is going to be Susan Fenton. I am looking forward to that day and I know Susan is as well. Susan I wish you and Scott well on your new marriage.

Minority Leader Myers, you do a great job. You do a great, great job and I think that my job was made so much easier by how you made it easier. You could have been tough on me. I have been here thirteen years, but at the same time, I didn't know all the rules and the ropes. It's one thing being a legislator, it's quite another being the majority leader, but you have made my job a lot easier and I thank you for that, I appreciate it and I wish you well.

To my leadership team, Libby, Danny, Gene, Rod, Carmen and Ralph, it's the best group that I have ever been associated with in my thirteen years here and I have served in leadership for eleven of those years. Your a great group and your a great part of the success of our caucus, the direction that we took and the accomplishments we have made. Our caucus has been great. And all the new members, all you guys.... (Libby, you've got to do a better job of keeping these guys in line), they bring energy to this place. And the House Democrat and Republican new members, you are great people. You are great people and you do a great job and I appreciate all of your efforts. And the veteran members, I look over there at Jim Hahn. Jim Hahn and I came to this place together in 1990 in a group of eighteen, and we are the last one's remaining. I appreciate Jim Hahn for sticking with me all these years in this place.

Now, I'm not leaving, I'm coming back, and a number of you probably wish I wouldn't, but I'm coming back. I appreciate the help from my leadership team. That leaves one other person left to thank. That is the Speaker of the House, Speaker Christopher Rants. Mr. Speaker, you've grown comfortable with your position. You

and I have roomed together for ten years and we have commiserated over bowls of chili and all the other things that nobody needs to know about, but Mr. Speaker, you truly deserve the honor of being Mr. Speaker. There are a lot of famous guys in that back hallway there with their pictures up on the wall and it is a privilege to know that you will someday join that group back there as well. You do an excellent job. We all should be grateful for your participation. Thank you Mr. Speaker.

And now it is time to go home and unfortunately, we are going to be back in a short time, but the House is going to complete its work. We've done a great job, I appreciate the efforts of all of you. Go back and meet your families and get reacquainted with your kids and your wives and your husbands and your friends and enjoy yourself for a few days knowing full well that there is a lot more work to be done. We have a good start with the things that we have done this year, but there is more work to be done. I will be glad to be here to help you do that. Thank you Mr. Speaker.

REMARKS BY THE MINORITY LEADER

Minority Leader Dick Myers offered the following remarks:

Mr. Speaker, ladies and gentlemen of the House. You know the end of these sessions are always remarkable, regardless of how you fight and sometimes don't get along as best you should, but we really feel good about coming to the end of it. Not because it is just the end, but because we really think we have a sense of accomplishment about things. I think this session is remarkable because of the degree of that accomplishment. We came in here after a pretty tough campaign and maybe even some tough sessions before that, with a lot of new folks. My good friend Representative Gipp said it is time to govern the campaign is over. Boy, I like that. That set the tone for me. And I think the tone that was set by the leadership on the Republican side coming into this place, helped me as the Minority Leader to work with them to try to find some solutions for our state. I can sometimes hardly believe that I am here and I am not quite sure what I'm going to say tonight, but I am going to try to get through this.

First of all I want start out by thanking the people who allowed me to be their leader, the members of the Democratic caucus. It truly was humbling for me to be the leader of this caucus for this last session. As you know, I am going to be leaving and the irony is that I have spent two years learning the job and now I am going to leave. I kind of wondered about that. I used to get teased a lot when I first came in here. Some of you new members don't know, but the first day that I was in the legislature the Minority Leader at that time, Robert Arnold, handed me a piece of paper, told me that my reputation had preceded me. On that piece of paper was a list of seven words that I couldn't say. And I will tell you that the majority leader and the Speaker of the House have spent the last ten sessions trying to get me to say one of those words. They aren't going to make it. They also gave me a list of words I could say, like golly, and gee whiz and shucks. I learned a lot up here. I really want to thank my Democratic caucus. I want to, also, make special remarks about the newer people that came in here on my side of the aisle and the Republican side of the aisle. I have never seen such a talented group of people that came in here willing to work together and didn't have any of the old, you know, sort of crosses to bear. They came in here, they wanted to listen to one another. They didn't care who was a Republican or a Democrat necessarily, they cared about representing their communities.

When the freshmen came in here I told them they had two things to do. One, you had to represent your district and the second is that you had to think. Boy we need people to think in this place and not just act like a bunch of robots. That is really important.

I also want to thank my staff; Mark Bransgaard and Carolyn. I can't tell you how much they helped me by trying to get me through the day and believe me, if I sound like I know what I am talking about once in a while, it is because they wrote the stuff.

And I appreciate the work of the Republican staff. You have always been very kind and courteous to me and the members of my caucus. I can't say enough about that, but I have to say folks, I believe I have the best Democratic caucus staff in the building and I am biased about that. I really appreciated working with Polly Lipsman and Tom and Ed and Joe, Mary and Jennifer and Anna, Dean and Dave and my Page, Claire, who was a great help to us. They helped all the members. And I think that they also helped a lot of the people on the other side of the aisle too. I hope they were always receptive to helping folks in the republican caucus, because I know that the Republican staff members helped us.

There is a new intelligence here now. There is a new life and a new energy here in the House of Representatives. We came in here with huge tasks. And you know what? It's easy to take on some of these subjects when times are kind of easy, you know, we got a lot of money. It is easy to be in politics when you got a lot of money. Especially if your a Democrat, I can tell you that. Of course I have seen the Republicans spend money lately in ways I can't believe, but nevertheless, I've always wondered about that a little bit, but, regardless.

The other thing that I talked about on opening day was I asked the new people to get to know their neighbors not just as people, not just as legislators. To get to know them and their needs and their districts and what they came down here to serve. And I think that has happened. I see Republicans and Democrats talking together time and time again on all kinds of things here and I think, well, you know, we had some fights. There will always be differences. I hope there are always differences. There should be differences. We should be proud of those differences. But, we have accomplished some good sized things. I kind of wish the folks across the ropes would have worked a little better with us. Maybe when you go to the Senate, and I don't want to be nasty here, about the Senate because when I was over there, my goodness, they gave me a standing ovation and I've made more fun of those guys than anybody else since I've been here. But I did appreciate it. It was an honor. I think that maybe the Senate will work with us here on some of the things that we have done. But when the governor announced that there should be an Iowa values fund in this state, that we had to change, that we had to risks, I know what that is about. As a person who has operated his own business and started a couple of others over the last forty years, I know what risks are all about. And I know they are important. But to really do this right for the people of the state of Iowa, there could not be just a House Republican plan, or a House Democratic plan. There had to be a House plan and then we could turn that into a General Assembly plan, a Iowa plan for the people of the state. And I think we have accomplished that in the House. I don't think it would have been done without the help of the people in the majority party to work with us in the minority party. The two of us getting together, those eight people, by the way, and I want to pay a special tribute to the eight people, I don't care whether you voted for that thing or not. There was a tremendous amount of hard work and I respect the people that voted

no as well as those that voted yes, because I know darn well you were thinking about it. I do believe that was a very defining moment in this state. Is it risk? Oh, you bet. In fact, I will tell you something, with that vote we cast the other night on the Iowa Values, that was the easy part. The hard work is coming to make that thing work. And it is not going to be easy. It will take an awful lot of work. It will take more than just Iowa, but that was a very important thing to do. Frankly, even though I didn't really care much for the bill I did respect the work that was done in rethinking the tax structures and trying to move us down a road on doing something different.

We passed a bill that didn't get much notice. Frankly, it was introduced by a Democrat and supported by Republicans on character education. We talked about it a lot over the years. I am a person that's always believed very strongly that kids ought to have a connection to their community. They ought to understand what their town is all about. They ought to understand what their country is about. They ought to understand what our economic system and our political system is about, and they need to start that early. Our education system should support that, encourage that, make it grow so that our children grow up really understanding just what a great place they live in here in the great state of Iowa.

I regret that we didn't do a couple of things that I really wish you would think about in the next term. We need to do a better job with prescription drugs. We need to pass a mental health parody bill. We need to do something about people who are mentally ill. We have the capacity to do that. We have the greatest expertise for solving problems like this of any state in the country. Folks, the people at the bottom of the wage scale need a raise. Those people take care of our children and they take care of older people. And yes, the government can be a force to raise their economic strata and it should be. It's time people at the bottom of the ladder got a raise. We didn't get that done this time, but I think there is the heart in this place, the wish in this place, the soul in this place to say that people at the bottom of the ladder need a raise. I hope we get that done. Those are things that I wish we could have had a chance to, but maybe next year.

You know the funny thing, I announced this morning that I, as you know, that I wasn't going to run again. I noticed a couple things right off the bat. When you announce that your going to retire from politics people start talking about you like your dead. They talk about you in the past tense, he was, he left, he's gone. Well, I'm not gone. I haven't died. Also, I noticed that the lobby treats you differently. They no longer say 'sir' when they talk to you. I don't know for sure what the future brings for me. I don't want to get any Republicans nervous here, I always like to look at Representative Carroll when I say something like this, but maybe one of these days I'll be riding around Poweshiek County with a real estate agent.... No, I doubt if I will do that again.

I think most of you know that I've spent, spread over five decades, about thirty-four years in public office since 1969. I have been very lucky, very fortunate. I seemed to do that for a number of reasons, not the least of which is an awful lot of luck, but I can't say enough about the people who sent me here. It is indeed humbling to think that someone trusts you enough to do the things that we do here on their behalf. Even when I was in county government or city government, you know that has always amazed me. And, there was a time in my life when I didn't think that generated much respect and yet that has happened to me. For that, I am enormously grateful.

And finally, one of the reason why I am leaving is I want to spend more time with my family, with my wife. The first day that I was here, my wife has always given me very sound instructions, I didn't always pay attention to them but, she said, "Richard", I was sitting right over there where Representative Reasoner sits, "Richard, now your starting here today and I know you, keep your mouth shut for five days." I'm sorry, I didn't last five minutes. And some of you remember that. It's very difficult to talk about the things that you really thought were important. People always ask me what is the most important thing you have done in politics? I never can answer that. Because I didn't do it, we did it. It takes 51 people to adjourn this place, no one does it by themselves. And I hope they will always remember that. That is the real key to working together. But I am a very humbled, grateful person. I can't think of how lucky I am. I served in the military for eight years of active duty and I was always grateful to come back to Iowa. What a great place to be from. Proud to say that I am from Iowa. From Iowa City, Iowa, great place, a place to raise our kids. And we have the capacity here to make it better. I think we did it this time, but I think we have work to do. Maybe I'll go home and write a book. I won't publish it for about twenty-five years, but I might write a book.

Mr. Speaker, I really appreciate working with you. You know we didn't come in here dancing goody two shoes around the floor. I think we came in here at sword's point on many things. You got here about a year ahead of me and I think that we work together pretty well, I like that. Both as Majority Leader and when you assumed the Speakers chair. I want you to know I appreciate your work. Mr. Gipp, we have been friends for a long time and we will remain so. I have enjoyed coming to work every morning to find out what we were going to do that day and how we were going to get it done. I don't want to start mentioning a lot of names, but I want you to remember the first day that I walked in this door, a man by the name of Hubert Houser was the former county supervisor, a conservative cattle farmer from western Iowa, walked up to me and he said I hear that your interested in working on mental health. He said I'm going to have a little informal meeting, you want to work with it? So, we did. We started working on that and out of that came something called Senate File 69 and a way to fund mental health bill that maybe will be done yet, we need to finish that. But the guy that took his place is Danny Carroll. I think that Mr. Carroll and I have some opinions about things that are different from one another's once in a while. We got some things done here, I think. You know why? I trust Mr. Carroll. That's important in this place, we need to trust one another. We need to earn that trust, and we need to continue it.

So, thanks a lot. I'm going to go, goodbye, thank you.

REMARKS BY SPEAKER RANTS

Speaker Rants offered the following remarks:

For the last three years, Representative Myers and I have had a lot of opportunities to go to a lot of functions and speak together. I always hate going after Dick Myers. No more true than tonight. You will be missed Dick, and missed a lot.

I want to start tonight by saying that I am working on three and a half hours of sleep and we will see if I can make it through this.

I want to start tonight by saying how proud I am of this Iowa House. In my eleven years, I've never seen a more congenial, bi-partisan or non-partisan, more orderly session and all of us should be proud of the way we did our job this year.

When we started this session, many said that with forty new members, that was going to be our greatest weakness. It was our greatest strength this year. You know, the last four months we have focused on four items; property and income tax reform, regulatory reform and an economic stimulus package. In any other year the accomplishment of one of those items would have been heralded as the hallmark of a legislative session. We did all four. This House had a monumental year.

We resolved a lot of old carry-over issues —.08 alcohol limit, gambling and taxes, (at least we got the gambling taxes part done). When we started the session we, we Republican's at least, held ourselves to three basic tests for the year. Does it create wealth, remember that? Opening day? Well, we have focused on the big four here recently. We shouldn't forget our efforts to become more energy independent as a state. I think that's on creating wealth. We did wind energy and a co-generation bill. We passed a broad band initiative to deliver high speed access to all of Iowa. I think that's about helping to create a state that fosters the creation of wealth. We did an NGIP junior program and we worked to focus on commercializing our research and development efforts at our research universities. And I know that's about creating wealth.

The second test we challenged ourselves with was, does it improve student performance? The first thing we had to do was to make sure we did no harm. Coming in with a tight budget year, I know this is certainly true in our area, the people were concerned about was the kind of cuts that were going to befall education. We protected our priorities. We protected allowable growth. We protected our teacher comp program. We protected our K-3 reading program. We said those were priorities and we took care of them. Perhaps more importantly we finally ended the dispute between rural and urban school districts over school infrastructure. Dan Boddickers' worst vote he ever cast was following me down that path once upon a time. You owe Representative Tymeson a thank you Representative Boddicker, for getting you out of that vote.

Our third test was to put Iowa on sound financial footing. We came in, we started with a four hundred million dollar projected shortfall. This chamber made the tough decisions on things like Medicaid reform. When we walk out of here tonight, we walk out with a balanced budget and one that complies with our 99 per cent expenditure limitation allowed. Our appropriations chair did it with a smile. Congratulations Representative Dix.

But, none of us did it alone. We are blessed with great people who work with us. The folks in the well, the folks in all of the back rooms, the Chief Clerks Office, the people crunching numbers, the people drafting amendments, the people proofing the journal. They all continue to work when we walk out of here. Whether it's at 5:00 in the afternoon or 11:00 at night. And we owe all of them a debt of thanks.

I have to say a special thanks to the Republican Caucus staff. In eleven years, I've never had a better group of people to work with. I want to thank all you guys. To Tim, Becky, Cynthia and especially Allison, whose job it was to kick me in the shins this week if I was scowling and not smiling, you are the best team I could ever ask for. Now

we will see if I can keep you here with me for another year. To my fellow Republican leaders; Gene, Rod, Libby, Carmen, thank you for helping to carry the burden. Danny and Ralph, thank you for being there when I needed you. To my former roommate of nine years, and it was nine years Chuck, I know...I always knew it would be like this by the way. You know, polka dot ties were never really my style, might be yours, got it if you need it.

You know in every session, there is a turning point for each member. Something that turns your session around. For all of you it's different. I can imagine what it was for Representative Kurtenbach, probably when he came in and found Gipp and I and we told him, he was crazy... to go away, and he didn't anyway. That might have been his turning point. I want to tell you about mine. My turning point was relatively early on, I am new in the job and I think I know what I'm doing, not really sure though, with a lot at stake. Chuck and I are sitting around in my office one night, it was probably about 7:00, still dark out and everybody is gone. In walks a guy by the name of Jan Schuiteman. He wanted to talk to us about crazy ideas. Got these genetically altered cows, growing something called human serum albumin in the cows milk that you can use for medical purposes. Replacing the cows antibody system with human antibody system... why is that important? Because you can create vaccines. They are doing that with a cow. That was a turning point for me in this session. Because that opened my eyes about the potential that we have in this state. I am not an Ag guy, I'm a city kid. I actually got to go up and pet those cows. It's like a poem... "I petted a cow." But to me, that crystallized the possibilities that we have in Iowa. You know we are a state that's dependent upon low price commodities. We try to add value to them and we are doing a good job. We are running them through livestock. But here is a whole new kind of potential, real value added agriculture. Bio-technology, something I read about. I figured bio-tech was something they could do at UC Berkley or MIT. We can do that here in Iowa. That should be our future. And that became clear to me that night in those discussions and in the weeks that followed. Iowa has hope. We have reason to give our children in this state hope for their future. It is going to take some risks, and we took some of that risk last night, but we don't have to be satisfied in this state with having more deaths than births in some of our counties or continuing to export our best product, which is our children. We can give our young people some hope. We can change the future of this state. We can chart a better course. We can do business differently. It's about taking risks and we haven't been afraid to do that. It took a lot of work Representative Hoffman, thank you for sticking with me all session long, keeping me from sliding off when I was getting a little concerned. But that was a turning point for me this session. And I think, I hope, because of the actions we took last night, and I got dedicated to those actions, because of what I saw occurring at a place called Trans Ova, in place called Hull, Iowa. I think that can be a turning point for this state because of the actions that we took, this chamber took. I hope you had an equally good turning point this session.

You know my favorite Roosevelt once said, "It is through labor and painful effort by grim energy and resolute courage that we move into better things." Ladies and gentlemen of the House, with that as our standard we had a "bully" of a year. Thank you for the opportunity to be your Speaker. God bless and have a good summer.

ADOPTION OF SENATE CONCURRENT RESOLUTION 21

Gipp of Winneshiek asked and received unanimous consent for

the immediate consideration of **Senate Concurrent Resolution 21**, a senate concurrent resolution to provide for adjournment sine die, and moved its adoption.

The motion prevailed and the resolution was adopted.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate Concurrent Resolution 21** be immediately messaged to the Senate.

EXPLANATIONS OF VOTE

I was necessarily absent from the House chamber on May 1, 2003. Had I been present, I would have voted "aye" on House File 543.

ALONS of Sioux

I was necessarily absent from the House chamber on May 1, 2003. Had I been present, I would have voted "aye" on House Files 543, 549, 595, 685 and Senate File 459.

MANTERNACH of Jones

BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully report that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 1st day of May, 2003: House Files 206, 225, 304, 329, 386, 391, 394, 455, 457, 492, 558, 560, 565, 576, 577, 583, 584, 594, 599, 624, 644, 681 and 682.

MARGARET A. THOMSON
Chief Clerk of the House

Report adopted.

BILL SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on April 30, 2003, he approved and transmitted to the Secretary of State the following bill:

House File 628, an Act relating to physician assistant licensure, and providing an effective date.

Also: the Governor announced that on May 1, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 319, an Act permitting written demand via regular mail prior to an action under the Uniform Commercial Code for recovery of civil damages for a dishonored check, draft, or order, when supported by an affidavit of service.

House File 387, an Act relating to mental health and developmental disabilities by expanding an exemption to health care licensing requirements for certain residential programs that receive funding under a medical assistance home and community-based services waiver and approval from the Department of Human Services, and revising membership requirements for the Mental Health and Developmental Disabilities Commission, and providing an effective date.

House File 454, an Act relating to mandatory universal newborn and infant hearing screening.

House File 541, an Act relating to the fee and use of fee for a certificate of birth.

House File 600, an Act regulating organic agricultural products, providing for fees and penalties, and providing an effective date.

House File 656, an Act relating to fees charged for special fire fighter motor vehicle registration plates.

Senate File 102, an Act relating to the Chief Executive Officer of the Iowa Public Employees' Retirement System and providing an effective and retroactive applicability date.

Senate File 366, an Act relating to the Iowa Probate Code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision.

Senate File 372, an Act relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date.

Senate File 375, an Act relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates.

Senate File 416, an Act relating to dependent adult abuse including elder abuse emergency shelter and support services projects.

Senate File 438, an Act relating to the establishment of the office of Grants Enterprise Management in the Department of Management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

CERTIFICATES OF RECOGNITION

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

MARGARET A. THOMSON
Chief Clerk of the House

- | | |
|-----------|---|
| 2003\1394 | Dale Barber, Bettendorf – For her 25 years of dedicated service as the Superintendent at Pleasant Valley Community Schools. |
| 2003\1395 | Winga's Restaurant, Riverdale – For serving the citizens for Washington County for 75 years. |
| 2003\1396 | Don and Joyce Zubrod, Manning – For celebrating their 50 th wedding anniversary. |
| 2003\1397 | Mr. and Mrs. Stewart, Ottumwa – For celebrating their 56 th wedding anniversary. |
| 2003\1398 | Mac Thummel, Clarinda – For being selected as a Southwest Regional Finalist for the Des Moines Register Academic All-State Team. |
| 2003\1399 | Richard and Joyce Lynch, Cascade – For being the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship. |
| 2003\1400 | Ryan Francis Forret, Calamus – For receiving his Iowa FFA degree. |
| 2003\1401 | Clare and Ruth Hodson, DeWitt – For celebrating their 50 th wedding anniversary. |
| 2003\1402 | Mauree Gibson, Central Lee High School – For being selected by the Water Pollution Control Association as the senior division winner of its Environment Excellence Award. |
| 2003\1403 | Ski Schroeder, Mt. Pleasant – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America. |
| 2003\1404 | Christopher Mallams, Mt. Pleasant – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America. |
| 2003\1405 | Nick Creager, Mt. Pleasant – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America. |
| 2003\1406 | Todd A. Cooney, Muscatine – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America. |

RESOLUTIONS FILED

HCR 23, by Rants and Myers, a house concurrent resolution to provide for adjournment sine die.

Laid over under **Rule 25**.

HR 62, by Alons, De Boef, Boddicker, Roberts, Chambers, Lalk, Boal, Lukan, Kramer, Kurtenbach and Mertz, a resolution to recognize that human life exists at the point of conception.

Laid over under **Rule 25**.

HR 63, by Gipp, Myers, Hoffman, Alons and Thomas, a resolution requesting the Department of Economic Development and the department's director to continue efforts to foster and grow the animal life science product industry in Iowa.

Laid over under **Rule 25**.

SCR 17, by Sievers, Behn, Kettering, Putney, Angelo, Hosch, Larson, Boettger, Seymour, Schuerer, Iverson, McKibben, Stewart, Beall, Bolkcom, Quirmbach, Seng, Dvorsky, Horn, Warnstadt, Black and Courtney, a concurrent resolution supporting the widening, improvement, and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance.

Laid over under **Rule 25**.

SCR 19, by Dotzler, Rehberg, Hosch, Seymour, McKinley, Warnstadt, Dvorsky, McKibben, Gaskill, Courtney, Stewart and Beall, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

Laid over under **Rule 25**.

AMENDMENT FILED

H—1585 S.F. 448 Horbach of Tama

The House stood at ease at 10:12 p.m., until the fall of the gavel.

The House resumed session at 3:33 p.m., Speaker Rants in the chair.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 662, a bill for an act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and including an effective date and retroactive applicability date provision.

Also: That the Senate has on May 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 667, a bill for an act relating to and making appropriations for health and human services to the department of elder affairs, the Iowa department of public health, the department of inspections and appeals, the department of human services, and the commission of veterans affairs, and providing effective dates.

Also: That the Senate has on May 1, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

Senate File 433, a bill for an act relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters.

Also: That the Senate has on May 1, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

Senate File 439, a bill for an act relating to and making appropriations to the justice system and providing an effective date.

MICHAEL E. MARCHALL, Secretary

FINAL DISPOSITION OF MOTIONS TO RECONSIDER

Pursuant to House Rule 73.7, the following motions to reconsider which remained on the House Calendar upon adjournment of 2003 Regular Session of the Eightieth General Assembly will be considered to have failed:

By Greiner of Washington, Huser of Polk and Arnold of Lucas to **House File 490**, a bill for an act relating to the right of condemnation of owners of certain land and including effective and applicability date provisions, filed on March 20, 2003. (Bill passed the House on March 20, 2003)

By Gipp of Winneshiek to **Senate File 425**, a bill for an act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources, filed on April 7, 2003. (Bill passed the House on April 7, 2003).

By Gipp of Winneshiek to **Senate File 435**, a bill for an act relating to and making appropriations to the judicial branch, filed on April 22, 2003. (Bill passed the House on April 22, 2003)

HOUSE AND SENATE FILES REREFERRED TO COMMITTEES

Under to provisions of House Rule 45, the following House Files and Senate Files were rereferred to the committees listed:

| | |
|---------------------------|---------------------------------|
| House Joint Resolution 12 | Ways and Means |
| House File 96 | Ways and Means |
| House File 169 | State Government |
| House File 211 | State Government |
| House File 572 | Environmental Protection |
| House File 607 | Judiciary |
| House File 660 | Government Oversight |
| House File 666 | Ways and Means |
| House File 690 | Ways and Means |
| Senate File 73 | Economic Growth |
| Senate File 185 | Public Safety |
| Senate File 203 | Environmental Protection |
| Senate File 313 | Commerce, Regulation & Labor |
| Senate File 384 | Ways and Means |
| Senate File 440 | Appropriations |
| Senate File 448 | Public Safety |

Senate File 449, previously passed on file was referred to the committee on commerce, regulation and labor.

REPORT OF CHIEF CLERK OF THE HOUSE

MR. SPEAKER: Pursuant to House Rule 42, I report that in enrolling bills the following corrections were made:

House File 549

1. Page 26, line 16 – Change spelling of teachers's to teacher's.
2. Page 37, line 4 – Underscore period after the c.
3. Page 42, line 4 – Need a comma after the word importance.

House File 654

1. Page 1, line 8 – Take out the "1."

House File 667

1. Page 16, line 6 – Post marital should be one word.
2. Page 55, line 24 – Change impatient to inpatient.

House File 685

1. Page 4, line 18 – Move the amount \$75,000 one space to the right.
2. Page 6, line 21 – Need a comma after the word subsection.

MARGARET A. THOMSON
Chief Clerk of the House

BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 1st day of May, 2003: House Files 450, 534, 543, 549, 595, 654, 655, 662, 665, 667, 671, 672, 674, 675, 676, 677, 680, 685, 689, and 694.

MARGARET A. THOMSON
Chief Clerk of the House

Report adopted.

BILLS SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on May 2, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 171, an Act relating to nonsubstantive code corrections and including effective and retroactive applicability date provisions.

House File 404, an Act authorizing a sentencing court to issue no-contact orders against persons arrested for any public offense.

House File 516, an Act relating to composition and responsibilities of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board.

House File 529, an Act directing the Mental Health and Developmental Disabilities Commission to make recommendations for redesigning the Mental Health and Developmental Disabilities Services System for adults and providing an effective date.

House File 619, an Act relating to health care including reimbursement of health care facilities based on resident program eligibility and providing effective dates and a contingent effective date.

House File 650, an Act relating to the assessment of a correctional fee by a county or municipality, and to the prosecution of certain criminal offenses committed in a municipality located in two or more counties.

Senate File 275, an Act relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new stand-alone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability.

Senate File 353, an Act requiring establishment of county child protection assistance teams.

Also: the Governor announced that on May 9, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 457, an Act expanding the requirements for the transition of an individual from the child welfare services system to adulthood.

House File 560, an Act relating to medical assistance home and community-based services waivers.

House File 599, an Act relating to property insurance, including establishment of a mandatory plan to assure fair access to insurance requirements, and providing for an effective date and retroactive applicability.

House File 680, an Act relating to licenses for bait dealers by creating resident and nonresident wholesale bait dealer licenses, providing reciprocity, and providing an effective date.

Senate File 94, an Act providing for the confidentiality of certain veterans' records maintained by county recorders.

Senate File 341, an Act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date.

Senate File 405, an Act relating to the authority of a city to acquire equity interests in business entities for the purpose of participating in electric energy transmission service.

Also: the Governor announced that on May 12, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 558, an Act authorizing the Department of Human Services to disclose information regarding the listing of an individual in the child or dependent abuse registry or the sex offender registry when it is necessary for the protection of a child or a dependent adult.

House File 565, an Act relating to the Healthy and Well Kids in Iowa program.

House File 677, an Act relating to new capital investment for businesses and new jobs by creating a new capital investment program, creating tax incentives, and amending the New Jobs and Income Program.

Senate File 444, an Act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision.

Senate File 459, an Act relating to Iowa agricultural industrial finance corporations, by providing for the assignment of an Iowa Agricultural Finance Loan, and providing an effective date.

Also: The Governor announced that on May 15, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 304, an Act relating to the payment by a county of the agricultural land tax credit and reimbursement to the county of its payment and providing an effective date.

House File 492, an Act relating to soil conservation by providing for the acquisition of land by soil and water conservation districts, and eliminating certain reporting requirements.

House File 576, an Act relating to the enterprise zone program and including effective date provisions.

House File 665, an Act relating to property taxation of certain lands leased to others by the Department of Corrections or Department of Human Services and providing for the Act's applicability.

House File 676, an Act establishing a veterans trust fund under the control of the Commission of Veterans Affairs and providing a contingent appropriation.

Senate File 368, an Act relating to advanced telecommunications services, including rate provisions.

Also: The Governor announced that on May 16, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 455, an Act requiring licensed health-related professionals to report certain burn injuries to a law enforcement agency.

House File 543, an Act relating to minimum mammography examination coverage, and making related changes.

House File 671, an Act relating to the recycling property exemption from property tax and including an applicability date.

Senate File 402, an Act relating to sexual assault offenses by affecting the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses and by modifying the penalties for certain assaults.

Senate File 441, an Act relating to the transfer of certain property-related tax credits and including effective and retroactive applicability date provisions.

Also: The Governor announced that on May 21, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 225, an Act modifying workers' compensation laws and providing an effective date.

House File 386, an Act relating to the Department of Elder Affairs including provisions relating to the Elder Iowans Act.

House File 674, an Act relating to income tax deductions and exemptions for military personnel and organizations, and including effective and applicability date provisions.

House File 682, an Act relating to wine by providing for native wine permits, providing wine gallonage tax revenue to support grape and wine development providing for fees, and providing an effective date and retroactive applicability.

Senate File 393, an Act relating to the Agricultural Development Authority by providing for its organization and administration.

Senate File 396, an Act providing for the animal unit capacity of fowl for purposes of regulating under the Animal Agriculture Compliance Act, and providing an effective date.

Senate File 442, an Act updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactivity applicability dates and an effective date.

Also: the Governor announced that on May 23, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 534, an Act providing for the reorganization of certain state departments by establishing a Department of Administrative Services, making related changes, providing penalties, and providing an effective date.

House File 577, an Act providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing an effective date.

House File 594, an Act relating to the registration of electrical and mechanical amusement devices and the registration of manufacturers and distributors thereof, establishing fees, making an appropriation, making penalties applicable, and providing an effective date.

House File 595, an Act relating to certain voluntary annexations and to involuntary annexations and providing an effective date.

House File 624, an Act regulating farm deer, providing for penalties, and providing an effective date.

House File 681, an Act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

House File 694, an Act relating to the judicial branch including by establishing a judicial district and judicial election district redistricting process, making changes to the nomination, appointment, and retention of judges, expanding magistrate courts, eliminating the position of alternate district associate judge, permitting district judgeships to be apportioned or transferred to another judicial district, requiring the county sheriff to serve a summons in certain delinquency proceedings, eliminating the participation of the Foster Care Review Board in voluntary foster care placements, waiving the filing fee and court costs in certain contempt actions, changing the duties of and the procedures related to the clerk of the district court, providing that interest on a judgment be calculated upon the one year treasury constant maturity plus two percent, expanding the access of the deferred judgment docket, prohibiting regional litigation centers, modifying the schedule of the probate court, providing for a fee, and providing for a study.

Senate File 425, an Act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources.

Senate File 435, an Act relating to and making appropriations to the judicial branch.

Senate File 439, an Act relating to and making appropriations to the justice system and providing an effective date.

Senate File 451, an Act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads.

modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

GOVERNOR'S ITEM VETO MESSAGE

May 23, 2003

The Honorable Chester Culver
Secretary of State
State Capitol
LOCAL

Dear Mr. Secretary:

I hereby transmit House File 667, an Act relating to and making appropriations for health and human services to the Department of Elder Affairs, the Iowa Department of Public Health, the Department of Inspections and Appeals, the Department of Human Services, and Commission of Veterans Affairs, and providing effective dates.

There were cooperative efforts to resolve issues in areas addressed by this bill that will allow Iowa to continue to provide services to children and families, even in these challenging times. The legislature was thoughtful and receptive and this bill reflects a very collaborative process between the stakeholders. Strong efforts were made to protect vulnerable Iowans; including seniors, the disabled, dependent children and families. This bill reflects joint efforts to address Medicaid and child welfare issues.

However, this bill continues to demand more services and reporting requirements at the same time funding levels have been reduced. With a goal of working to provide needed services and reducing process requirements, this bill has several provisions that I cannot support.

I am unable to approve the designated portions of Section 2, subsection 1. This section would require the Department of Health to produce a report of all the organizations that applied for substance abuse treatment funds, the amounts awarded, and the basis for refusal to award funds to any of the organizations that applied. In accordance with the Accountable Government Act all substance abuse treatment and prevention grants are awarded on a competitive basis. This item is an unfunded mandate that takes time away from customers and communities for unnecessary reporting.

I am unable to approve the item designated as Section 7, subsection 15, paragraph a through k in their entirety. This language creates a new Iowa marriage grant initiative. The language involved adds new bureaucratic rules and regulations that require extensive staff time that could otherwise be spent providing services to families. Furthermore, language already exists in statute for this program.

I am unable to approve the item designated as Section 11, subsection 8 in its entirety. This language directs the Department of Human Services to work with counties to implement services to people with chronic mental illness. This effort has already been accomplished and is, therefore, redundant.

I am unable to approve the item designated as Section 16, subsection 5 in its entirety. This language requires additional notice to legislators if additional federal

child-care funds are received. This is an unnecessary reporting requirement at a time when funding for staff have been reduced.

I am unable to approve the item designated as Section 16, subsection 7(b) and (c) in their entirety. This language directs the Department of Human Services to develop consumer information to assist parents in selecting a childcare provider. The department currently provides consumer information to customers and will continue to do so. Staff and funding of the department have been severely reduced leaving the department ill-equipped to provide the support necessary to complete this effort.

I am unable to approve the item designated as Section 18, subsection 12 in its entirety. This language requires the Department of Human Services and juvenile court officers to develop criteria for intensive tracking and supervision of delinquent youth. These criteria were developed three years ago in response to this language; thus, this language is no longer needed.

I am unable to approve the item designated as Section 18, subsection 21. This directs the Department of Human Services to develop a plan to privatize the administration of foster care and adoption programs. Given the fact that no additional funds were provided for this purpose, staffing has been severely reduced, and the child welfare redesign effort is included in Senate File 453, implementation of this section is counter-productive.

I am unable to approve the item designated as a portion of Section 28, subsection 2. This item requires the Department of Human Services to submit proposed legislation to correct Code references related to service areas. This appears to be the realm of the Legislative Service Bureau or Code Editor rather than the Department of Human Services, especially at a time when the Department's resources have been severely reduced.

I am unable to approve the item designated as Section 35. This language exempts the Department of Human Services from making payments to the Vehicle Dispatcher for fiscal year 2004. This would hamper the state's efforts to purchase vehicles when needed and at the best price.

I am unable to approve the item designated as Section 36, subsection 2, in its entirety. This language creates a new initiative on parental involvement. The language involved is very prescriptive, time intensive and can be accomplished without directing the effort.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 667 are hereby approved as of this date.

Sincerely,
Thomas J. Vilsack
Governor

COMMUNICATIONS RECEIVED

The following communication was received and filed in the office of the Chief Clerk:

DEPARTMENT OF HUMAN SERVICES

Analysis report regarding the use of any excess payment allowance to nursing facilities, pursuant to Chapter 3 e, f, Code of Iowa.

CIVIL RIGHTS COMMISSION

Annual savings report on ICN usage for fiscal year 2002, pursuant to Chapter 7E.5(n), Code of Iowa.

COMMITTEE TO NOTIFY THE GOVERNOR

Gipp of Winneshiek moved that a committee of two be appointed to notify the Governor that the House was ready to adjourn in accordance with Senate Concurrent Resolution 21, duly adopted.

The motion prevailed and the Speaker appointed as such committee Carroll of Poweshiek and Myers of Johnson.

COMMITTEE TO NOTIFY THE SENATE

Gipp of Winneshiek moved that a committee of two be appointed to notify the Senate that the House was ready to adjourn in accordance with Senate Concurrent Resolution 21, duly adopted.

The motion prevailed and the Speaker appointed as such committee Elgin of Linn and Connors of Polk.

COMMITTEE FROM THE SENATE

The committee from the Senate appeared and notified the House that the Senate was ready to adjourn.

REPORT OF THE COMMITTEE TO NOTIFY THE SENATE

The committee appointed to notify the Senate that the House was ready to adjourn returned and reported it had performed its duty.

REPORT OF THE COMMITTEE TO NOTIFY THE GOVERNOR

The committee appointed to notify the Governor that the House

was ready to adjourn returned and reported it had performed its duty.

COMMUNICATION FROM THE GOVERNOR

May 1, 2003

The Honorable Mary Kramer
President of the Senate
State Capitol
LOCAL

The Honorable Christopher Rants
Speaker of the House
State Capitol
LOCAL

Dear President Kramer and Speaker Rants:

Throughout our state's history, Iowans have valued education, hard work, self-reliance, community involvement, generosity to our neighbors, and responsible stewardship of the land, air, and water. Challenging times give us an opportunity to assess our values, and to make changes that will support those values.

This, the first session of the Eightieth General Assembly, gave us the opportunity to address these shared Iowa values. Even in these difficult economic times that have most states reeling from budget cuts and shortfalls, we have a unique opportunity to make the bold changes necessary to grow Iowa; preserve our values, and strengthen the quality of life that has long sustained our state.

Developing and drafting consensus language that creates the Iowa Values Fund has been a historic achievement accomplished by both the majority and minority members of the House of Representatives during the regular session. I look forward to working with the State Senate to act on the Iowa Values Fund.

Two pieces of significant legislation that were accomplished during the regular session were to lower the level of alcohol needed in a person's blood to be presumed drunk, from .10 to .08 BAC and the proposal to reorganize and streamline state government.

This was the third consecutive legislative session that I have called for a bill to lower the blood alcohol rate to .08. The tougher standard corresponds with a projected 10-16 lives saved in Iowa per year. This has always been an issue of safety.

I had called on the legislature to create the Department of Administrative Services (DAS) last session and am pleased that this session DAS was sent to me. DAS will streamline services, improve services to customers, enhance resource flexibility, and to save money.

I intend to continue to work with legislators to lay the foundation for a more prosperous future for our state. When the people of Iowa work together on a common goal, we can accomplish anything.

Sincerely,
Thomas J. Vilsack
Governor

FINAL ADJOURNMENT

By virtue of Senate Concurrent Resolution 21, duly adopted, the day of May 1, 2003 having arrived, the Speaker of the House of Representatives declared the 2003 Regular Session of the Eightieth General Assembly adjourned sine die.

AMENDMENTS FILED

Amendments filed during the Eightieth General Assembly, 2003 Session, and not otherwise printed in the House Journal:

H—1004

- 1 Amend Senate File 36, as passed by the Senate, as
- 2 follows:
- 3 1. Page 8, by striking lines 7 through 19.
- 4 2. Title page, by striking lines 4 and 5 and
- 5 inserting the following: "defender, and providing
- 6 effective date and".
- 7 3. By renumbering as necessary.

Committee on Appropriations

H—1005

- 1 Amend House File 65 as follows:
- 2 1. Page 1, by inserting after line 4, the
- 3 following:
- 4 "Sec. ____ Section 321J.2, Code 2003, is amended
- 5 by adding the following new subsection:
- 6 NEW SUBSECTION. 2A. A. Notwithstanding
- 7 subsection 2, paragraph "a", subparagraph (3), a
- 8 person whose alcohol concentration established by the
- 9 results of an analysis of the defendant's blood,
- 10 breath, or urine withdrawn in accordance with this
- 11 chapter is .08 or more but is not more than .10 shall
- 12 be subject to a revocation of the person's driver's
- 13 license for a minimum revocation period of one hundred
- 14 eighty days, with no period of ineligibility for a
- 15 temporary restricted license.
- 16 b. This subsection shall not apply to a person who
- 17 is under the age of twenty-one who operates a motor
- 18 vehicle while having an alcohol concentration of .02
- 19 or more pursuant to section 321J.2A, to a person who
- 20 refuses to submit to chemical testing pursuant to
- 21 section 321J.9, or to a person who is convicted of or
- 22 pleads guilty to a violation of section 707.6A.
- 23 Sec. ____ Section 321J.4, subsection 1, Code 2003,
- 24 is amended to read as follows:
- 25 1. If a defendant is convicted of a violation of
- 26 section 321J.2 and the defendant's driver's license or
- 27 nonresident operating privilege has not been revoked
- 28 under section 321J.9 or 321J.12 for the occurrence
- 29 from which the arrest arose, the department shall
- 30 revoke the defendant's driver's license or nonresident
- 31 operating privilege for one hundred eighty days if the
- 32 defendant has had no previous conviction or revocation

33 under this chapter. The Except as provided in section
34 321J.2, subsection 2A, the defendant shall not be
35 eligible for any temporary restricted license for at
36 least thirty days after the effective date of the
37 revocation if a test was obtained, and for at least
38 ninety days if a test was refused. If the defendant
39 is under the age of twenty-one, the defendant shall
40 not be eligible for a temporary restricted license for
41 at least sixty days after the effective date of
42 revocation."
43 2. Page 1, by inserting after line 10, the
44 following:
45 "Sec.____. Section 321J.12, subsection 2, Code
46 2003, is amended to read as follows:
47 2. A Except as provided in section 321J.2,
48 subsection 2A, a person whose driver's license or
49 nonresident operating privileges have been revoked
50 under subsection 1, paragraph "a", shall not be

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1 eligible for any temporary restricted license for at
2 least thirty days after the effective date of the
3 revocation. If the person is under the age of twenty-
4 one, the person shall not be eligible for a temporary
5 restricted license for at least sixty days after the
6 effective date of the revocation. A person whose
7 license or privileges have been revoked under
8 subsection 1, paragraph "b", for one year shall not be
9 eligible for any temporary restricted license for one
10 year after the effective date of the revocation."
11 3. By renumbering as necessary.

SHOULTZ of Black Hawk

H—1008

1 Amend House File 65 as follows:
2 1. Page 1, by inserting after line 25 the
3 following:
4 "Sec.____. NEW SECTION. 321J.2C PERSONS FOUND
5 NOT GUILTY.
6 1. Notwithstanding any other provision of this
7 chapter to the contrary, if any prosecution for a
8 violation of section 321J.2 or 321J.2A does not result
9 in a conviction, and the defendant's driver's license
10 or nonresident operating privilege has been revoked
11 under section 321J.9 or 321J.12 for the occurrence
12 from which the arrest arose, the department shall,
13 upon receipt of the court order finding the defendant
14 not guilty, immediately rescind the revocation order
15 and reinstate the defendant's license.

16 2. Notwithstanding section 321.12 or any other
17 provision of chapter 321 or 321J to the contrary, the
18 director shall immediately destroy any operating
19 records pertaining to a revocation under section
20 321J.9 or 321J.12 for the occurrence from which an
21 arrest arose when the defendant was subsequently
22 prosecuted and found not guilty upon receipt of the
23 court order finding the defendant not guilty."
24 2. Title page, line 1, by striking the words and
25 figure "providing for a .08 blood alcohol
26 concentration limit for" and inserting the following:
27 "relating to".
28 3. By renumbering as necessary.

SHOULTZ of Black Hawk

H-1009

1 Amend House File 65 as follows:
2 1. Page 1, by inserting after line 4 the
3 following:
4 "Sec. ____ Section 321J.2, subsection 2, paragraph
5 a, subparagraph (3), Code 2003, is amended to read as
6 follows:
7 (3) Revocation of the person's driver's license
8 pursuant to section 321J.4, subsection 1, section
9 321J.9, or section 321J.12, subsection 2, which
10 includes a minimum revocation period of one hundred
11 eighty days, including a minimum period of
12 ineligibility for a temporary restricted license of
13 thirty days, and may involve a revocation period of
14 one year. The defendant shall not be eligible for any
15 temporary restricted license for at least thirty days
16 if a test was obtained, and an accident resulting in
17 personal injury or property damage occurred or the
18 defendant's alcohol concentration exceeded .15. There
19 shall be no such period of ineligibility if no such
20 accident occurred and the defendant's alcohol
21 concentration did not exceed .15. A revocation under
22 section 321J.9 includes a minimum period of
23 ineligibility for a temporary restricted license of
24 ninety days.
25 Sec. ____ Section 321J.4, subsections 1 and 3,
26 Code 2003, are amended to read as follows:
27 1. If a defendant is convicted of a violation of
28 section 321J.2 and the defendant's driver's license or
29 nonresident operating privilege has not been revoked
30 under section 321J.9 or 321J.12 for the occurrence
31 from which the arrest arose, the department shall
32 revoke the defendant's driver's license or nonresident
33 operating privilege for one hundred eighty days if the
34 defendant has had no previous conviction or revocation

35 under this chapter. The defendant shall not be
36 eligible for any temporary restricted license ~~for at~~
37 ~~least thirty days after the effective date of the~~
38 ~~revocation if a test was obtained and for at least~~
39 ninety days if a test was refused under section
40 321J.9. The defendant shall be not eligible for any
41 temporary restricted license for at least thirty days
42 if a test was obtained, and an accident resulting in
43 personal injury or property damage occurred or the
44 defendant's alcohol concentration exceeded .15. There
45 shall be no such period of ineligibility if no such
46 accident occurred and the defendant's alcohol
47 concentration did not exceed .15. The department
48 shall not require the defendant to install an ignition
49 interlock device as a condition precedent to receiving
50 a temporary restricted license unless the court so

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1 orders, pursuant to subsection 8. If the defendant is
2 under the age of twenty-one, the defendant shall not
3 be eligible for a temporary restricted license for at
4 least sixty days after the effective date of
5 revocation.
6 3. If the court defers judgment pursuant to
7 section 907.3 for a violation of section 321J.2, and
8 if the defendant's driver's license or nonresident
9 operating privilege has not been revoked under section
10 321J.9 or 321J.12, or has not otherwise been revoked
11 for the occurrence from which the arrest arose, the
12 department shall revoke the defendant's driver's
13 license or nonresident operating privilege for a
14 period of not less than thirty days nor more than
15 ninety days. The defendant shall not be eligible for
16 any temporary restricted license for at least ~~thirty~~
17 ~~days after the effective date of the revocation if a~~
18 ~~test was obtained and for at least ninety days if a~~
19 test was refused. The defendant shall not be eligible
20 for any temporary restricted license for at least
21 thirty days if a test was obtained, and an accident
22 resulting in personal injury or property damage
23 occurred or the defendant's alcohol concentration
24 exceeded .15. There shall be no such period of
25 ineligibility if no such accident occurred and the
26 defendant's alcohol concentration did not exceed .15.
27 The department shall not require the defendant to
28 install an ignition interlock device as a condition
29 precedent to receiving a temporary restricted license
30 unless the court so orders, pursuant to subsection 8.
31 If the defendant is under the age of twenty-one, the
32 defendant shall not be eligible for a temporary
33 restricted license for at least sixty days after the

34 effective date of the revocation."

35 2. Page 1, by inserting after line 10 the
36 following:

37 "Sec. _____. Section 321J.12, subsection 2, Code
38 2003, is amended to read as follows:

39 2. A person whose driver's license or nonresident
40 operating privileges have been revoked under
41 subsection 1, paragraph "a", shall not be eligible for
42 any temporary restricted license for at least thirty
43 days after the effective date of the revocation if an
44 accident resulting in personal injury or property
45 damage occurred and the defendant's alcohol
46 concentration exceeded .15. There shall be no such
47 period of ineligibility if no such accident occurred
48 and the defendant's alcohol concentration did not
49 exceed .15. The department shall not require the
50 defendant to install an ignition interlock device as a

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1 condition precedent to receiving a temporary
2 restricted license unless the court so orders,
3 pursuant to section 321J.4, subsection 8. If the
4 person is under the age of twenty-one, the person
5 shall not be eligible for a temporary restricted
6 license for at least sixty days after the effective
7 date of the revocation. A person whose license or
8 privileges have been revoked under subsection 1,
9 paragraph "b", for one year shall not be eligible for
10 any temporary restricted license for one year after
11 the effective date of the revocation."

12 3. Page 1, by inserting after line 25 the
13 following:

14 "Sec. _____. Section 321J.20, subsection 6, Code
15 2003, is amended to read as follows:

16 6. Following certain minimum periods of
17 ineligibility, a temporary restricted license under
18 this section shall not be issued until such time as
19 the applicant installs an ignition interlock device of
20 a type approved by the commissioner of public safety
21 on all motor vehicles owned or operated by the
22 applicant, in accordance with section 321J.4,
23 subsections 2 and 4. Installation of an ignition
24 interlock device under this section shall be required
25 for the period of time for which the temporary
26 restricted license is issued."

27 4. Title page, line 1, by striking the words and
28 figure "providing for a .08 blood alcohol
29 concentration limit for" and inserting the following:

30 "relating to".

31 5. By renumbering as necessary.

HORBACH of Tama

H—1011

1 Amend House File 65 as follows:

2 1. Page 1, by inserting after line 27, the
3 following:

4 "Sec. ____ EFFECTIVE DATE. This Act takes effect
5 September 30, 2003."

6 2. Title page, line 2, by inserting after the
7 word "offenses" the following: "and providing for an
8 effective date".

9 3. By renumbering as necessary.

HORBACH of Tama

H—1012

1 Amend House File 33 as follows:

2 1. Page 1, by striking lines 6 through 12 and
3 inserting the following:

4 "NEW PARAGRAPH. t. Wholesale bait dealer license .. \$ 12 5.00

5 Sec. ____ Section 483A.1, subsection 2, paragraph

6 1, Code 2003, is amended to read as follows:

7 1. Bait Retail bait dealer license \$ 66.00
8 125.00

9 or the amount for the same type of license
10 in the nonresident's state, whichever is
11 greater

12 Sec. ____ Section 483A.1, subsection 2, Code 2003,
13 is amended by adding the following new paragraph:

14 NEW PARAGRAPH. t. Wholesale bait dealer license ... \$250 .00

15 or the amount for the same type of license
16 in the nonresident's state, whichever is
17 greater".

18 2. Page 1, by striking lines 22 through 24 and
19 inserting the following:

20 "Sec. ____ EFFECTIVE DATE. This Act, being deemed
21 of immediate importance, takes effect upon enactment."

22 3. Title page, by striking line 3, and inserting
23 the following: "reciprocity, and providing an
24 effective date."

25 4. By renumbering as necessary.

Committee on Natural Resources

H-1013

1 Amend the amendment, H-1005, to House File 65 as
2 follows:

3 1. Page 1, line 15, by inserting after the word
4 "license" the following: "unless an accident
5 resulting in personal injury or property damage
6 occurred or the defendant's alcohol concentration
7 exceeded .10".

SHOULTZ of Black Hawk

H-1016

1 Amend House File 156 as follows:

2 1. Page 2, line 7, by inserting after the word
3 "years." the following: "A member of the clergy is
4 encouraged to regularly complete child abuse
5 identification and reporting training and may contact
6 the Iowa department of public health for a referral to
7 the training programs and curricula approved in
8 accordance with this subsection."

MASCHER of Johnson

H-1017

1 Amend House File 156 as follows:

2 1. Page 1, by striking lines 13 through 18 and
3 inserting the following:
4 "(a) "Clergy member" or "member of the clergy"
5 means an individual who is designated as clergy by
6 ordination, licensing, or other form of entitlement by
7 the religious group or sect with whom the individual
8 is affiliated."

BODDICKER of Cedar
ROBERTS of Carroll
SMITH of Marshall

H-1021

1 Amend House File 96 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:
4 "Section 1. NEW SECTION. 331.404 NOTICE OF
5 TAXABLE VALUATION.
6 At the next regularly scheduled meeting of the
7 board of supervisors following receipt of the annual
8 report from the county auditor pursuant to section
9 331.510, subsection 4, the board of supervisors shall
10 publish, as part of the minutes of that meeting,

11 notice of the amount of taxable valuation reported for
 12 the following fiscal year and the amount of taxable
 13 valuation reported in the previous year for the
 14 current fiscal year.

15 The following statement shall be published below
 16 the notice of the amounts of taxable valuation:

17 "An increase in taxable valuation of property may
 18 result in an increase in property taxes due for the
 19 fiscal year beginning July 1 unless the board of
 20 supervisors reduces the tax levy for that fiscal
 21 year."

22 Sec. 2. NEW SECTION. 384.22A NOTICE OF TAXABLE
 23 VALUATION.

24 At the next regularly scheduled meeting of the city
 25 council following receipt of the annual report from
 26 the county auditor pursuant to section 331.510,
 27 subsection 4, the city council shall publish, as part
 28 of the minutes of that meeting, notice of the amount
 29 of taxable valuation reported for the following fiscal
 30 year and the amount of taxable valuation reported in
 31 the previous year for the current fiscal year.

32 The following statement shall be published below
 33 the notice of the amounts of taxable valuation:

34 "An increase in taxable valuation of property may
 35 result in an increase in property taxes due for the
 36 fiscal year beginning July 1 unless the city council
 37 reduces the tax levy for that fiscal year.""

38 2. Title page, by striking lines 1 through 3 and
 39 inserting the following: "An Act relating to a city
 40 or county publishing notice of taxable valuation."

CARROLL of Poweshiek
 HUSER of Polk

H—1023

1 Amend House File 265 as follows:

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

4 "4. The peace officer and the medical personnel
 5 are reasonably unaware of any legitimate health or
 6 religious reason why the person's blood should not be
 7 taken for the sample."

HOGG of Linn

H—1024

1 Amend House File 265 as follows:

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

4 "4. The circumstances do not reasonably allow for

5 the taking of a specimen of the defendant's breath or
6 urine."

HOGG of Linn

H—1025

- 1 Amend House File 259 as follows:
2 1. Page 1, by striking lines 5 and 6, and
3 inserting the following: "section 668.13, except for
4 interest due pursuant to section 85.30 for which the
5 rate shall be ~~ten~~ eighteen percent per year."
6 2. Title page, by striking lines 1 and 2, and
7 inserting the following: "An Act relating to the rate
8 of interest on weekly workers' compensation payments."

T. TAYLOR of Linn

H—1026

- 1 Amend House File 250 as follows:
2 1. Page 1, line 1, by striking the figure "4" and
3 inserting the following: "5".
4 2. Page 1, lines 7 and 8, by striking the words
5 "with the knowledge that" and inserting the following:
6 "with the knowledge that who is on duty or working and
7 acting within the scope of their employment, or
8 because".
9 3. Page 1, line 21, by striking the words "who
10 knows that" and inserting the following: "~~who knows~~
11 that who is on duty or working and acting within the
12 scope of their employment, or because".
13 4. Page 1, line 32, by striking the words "who
14 knows that" and inserting the following: "~~who knows~~
15 that who is on duty or working and acting within the
16 scope of their employment, or because".
17 5. Page 2, lines 8 and 9, by striking the words
18 "by a person who knows that" and inserting the
19 following: "~~by a person who knows that~~ who is on duty
20 or working and acting within the scope of their
21 employment, or because".
22 6. Page 2, by inserting after line 13 the
23 following:
24 "5. As used in this section, "health care
25 provider" means an emergency medical care provider as
26 defined in chapter 147A or a person licensed or
27 registered under chapter 148, 148C, 148D, 150, 150A,
28 or 152 who is providing or who is attempting to
29 provide emergency medical services, as defined in
30 section 147A.1, or who is providing or who is
31 attempting to provide health services as defined in
32 section 135.61 in a hospital. ~~a person who commits an~~

33 ~~assault under this section against a health care~~
 34 ~~provider in a hospital, or at the scene or during out-~~
 35 ~~of hospital patient transportation in an ambulance, is~~
 36 ~~presumed to know that the person against whom the~~
 37 ~~assault is committed is a health care provider."~~
 38 7. Page 2, by striking lines 21 through 26 and
 39 inserting the following: "operated by the department
 40 of human services."

HOGG of Linn

H—1036

1 Amend Senate File 97, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. By striking page 6, line 35, through page 7,
 4 line 18.
 5 2. By renumbering as necessary.

ALONS of Sioux
 RASMUSSEN of Buchanan
 WHITAKER of Van Buren
 CHAMBERS of O'Brien
 BAUDLER of Adair
 THOMAS of Clayton

WILDERDYKE of Harrison
 VAN ENGELNHOVEN of Marion
 HUNTER of Polk
 RAYHONS of Hancock
 ELGIN of Linn
 S. OLSON of Clinton

H—1039

1 Amend House File 391 as follows:
 2 1. Page 2, line 19, by inserting after the word
 3 "applicable." the following: "The guidelines, rules,
 4 and procedures shall not require participation in a
 5 cogeneration pilot project or program by any rate-
 6 regulated public utility providing retail electric
 7 service to more than five hundred twenty thousand
 8 customers in the state as of January 1, 2003, but any
 9 such utility shall have the option to participate."
 10 2. Page 3, line 10, by striking the word
 11 "facility" and inserting the following: "facility,
 12 alternate energy production facility, cogeneration
 13 pilot project facility."
 14 3. Page 4, by striking lines 27 through 29 and
 15 inserting the following: "public utility shall have
 16 the option of proceeding ~~with construction or lease of~~
 17 ~~the facility in Iowa or withdrawing according to~~
 18 ~~either of the following:~~
 19 (1) Withdrawing its application for a ratemaking
 20 principles determination pursuant to this section and
 21 its application for a certificate under pursuant to
 22 chapter 476A.
 23 (2) Proceeding with the construction or lease of
 24 the facility or implementation of an energy sales

- 25 agreement related to a cogeneration pilot project
26 facility."
27 4. Page 5, line 26, by striking the words
28 "months, and" and inserting the following: "months
29 or".
30 5. By renumbering, relettering, redesignating, and
31 correcting internal references as necessary.

WISE of Lee
JENKINS of Black Hawk

H-1040

- 1 Amend House File 400 as follows:
2 1. Page 1, line 10, by inserting after the word
3 "officer." the following: "However, if exigent
4 circumstances do not exist, a peace officer shall
5 obtain permission from the district department
6 assigned to supervise the person before conducting a
7 search pursuant to this paragraph."

HOGG of Linn

H-1043

- 1 Amend House File 454 as follows:
2 1. Page 2, by inserting after line 27, the
3 following:
4 "6A. This section shall not apply if the parent
5 objects to the screening. If a parent objects to the
6 screening, the birthing hospital, physician, or other
7 health care professional required to report
8 information to the department under this section shall
9 provide educational information to the parent
10 describing the screening, how the screening is
11 conducted, and the possible consequences of treatment
12 for and nontreatment of hearing loss. The birthing
13 hospital, physician, or other health care professional
14 required to report information under this section
15 shall obtain a written refusal from the parent, shall
16 document the refusal in the newborn's or infant's
17 medical record, and shall report the refusal to the
18 department in the manner prescribed by rule of the
19 department."
20 2. By renumbering as necessary.

BODDICKER of Cedar
FOEGE of Linn

H-1049

- 1 Amend House File 213 as follows:

- 2 1. Page 1, by striking lines 17 through 19.
- 3 2. Page 2, line 8, by inserting after the word
- 4 "board" the following: "recognized by the city,
- 5 county, council of governments, or regional officials
- 6 as the board responsible for coordinating local
- 7 housing programs".
- 8 3. Page 2, by striking lines 14 through 19, and
- 9 inserting the following: "shall not exceed ten
- 10 percent of the balance of the account at the beginning
- 11 of the fiscal year plus ten percent of any deposits
- 12 made during the fiscal year."
- 13 4. Page 2, line 31, by inserting after the word
- 14 "allocated" the following: "for housing and any
- 15 federal moneys received".
- 16 5. Page 2, line 32, by striking the words "and
- 17 for housing".
- 18 6. By renumbering as necessary.

Committee on Economic Growth

H—1050

- 1 Amend House File 157 as follows:
- 2 1. Page 1, by striking lines 1 through 21.
- 3 2. Page 1, by inserting before line 22 the
- 4 following:
- 5 "Sec. ____ **NEW SECTION. 262B.7 FUNDING.**
- 6 There is annually appropriated from the general
- 7 fund of the state to the state board of regents forty-
- 8 five thousand dollars for purposes of providing a
- 9 single point of contact to assist in the
- 10 implementation of this chapter."
- 11 3. Page 1, line 22, by striking the figure
- 12 "262B.6" and inserting the following: "262B.11".
- 13 4. Page 1, line 28, by inserting after the word
- 14 "businesses." the following: "The program shall
- 15 include the three universities under the control of
- 16 the state board of regents and all accredited private
- 17 universities located in the state."
- 18 5. Page 3, line 22, by inserting after the word
- 19 "department" the following: "for each of the five
- 20 years following the tax year in which the business is
- 21 approved under the program".
- 22 6. By renumbering as necessary.

Committee on Economic Growth

H—1052

- 1 Amend the amendment, H—1042, to House File 453 as
- 2 follows:
- 3 1. Page 3, by inserting after line 8 the

4 following:

5 "____. By striking page 3, line 26, through page

6 4, line 2, and inserting the following:

7 "Sec.____. STATE BOARD OF REGENTS APPROPRIATIONS.

8 1. There is appropriated from the tax-exempt bond
9 proceeds restricted capital funds account of the
10 tobacco settlement trust fund established in section
11 12E.12 to the state board of regents for the fiscal
12 period beginning July 1, 2003, and ending June 30,
13 2005, the following amounts, or so much thereof as is
14 necessary, to be used for the purposes designated:

15 a. For the construction of an animal biotechnology
16 commercial pharmaceutical research center by Iowa
17 state university of science and technology to be built
18 in cooperation with the establishment by private and
19 local sources of an animal biotechnology business
20 development center:

21 FY 2003-2004..... \$ 3,000,000

22 FY 2004-2005..... \$ 0

23 b. For enhancing a state-supported center for
24 biocatalysis and bioprocessing at the university of
25 Iowa:

26 FY 2003-2004..... \$ 0

27 FY 2004-2005..... \$ 3,000,000

28 c. For design and construction of facilities to
29 house and equip an innovation accelerator and business
30 park at the university of northern Iowa to offer
31 technical assistance and training services to pre-
32 venture and existing businesses:

33 FY 2003-2004..... \$ 5,000,000

34 FY 2004-2005..... \$ 0

35 2. There is appropriated from the rebuild Iowa
36 infrastructure fund created in section 8.57,
37 subsection 5, paragraph "a", to the state board of
38 regents for the fiscal period beginning July 1, 2003,
39 and ending June 30, 2008, the following amounts, or so
40 much thereof as is necessary, to be used for the
41 purpose designated:

42 For operations and staff to support an innovation
43 accelerator and business park at the university of
44 northern Iowa, notwithstanding section 8.57,
45 subsection 5, paragraph "c":

46 FY 2003-2004..... \$ 500,000

47 FY 2004-2005..... \$ 500,000

48 FY 2005-2006..... \$ 500,000

49 FY 2006-2007..... \$ 500,000

50 FY 2007-2008..... \$ 500,000""

H—1053

- 1 Amend House File 496 as follows:
- 2 1. Title page, line 1, by striking the word
- 3 "benefit", and inserting the following: "benefits".

Committee on State Government

H—1057

- 1 Amend House File 533 as follows:
- 2 1. Page 1, by striking line 11 and inserting the
- 3 following: "resources over on-site".

KURTENBACH of Story

H—1065

- 1 Amend House File 481 as follows:
- 2 1. Page 1, by inserting before line 1 the
- 3 following:
- 4 "Section 1. Section 232.2, subsection 12, Code
- 5 2003, is amended by adding the following new
- 6 paragraph:
- 7 NEW PARAGRAPH. d. The violation of section 299.6
- 8 by a child twelve years of age or older.
- 9 Sec. ____ Section 232.22, subsection 8, Code 2003,
- 10 is amended to read as follows:
- 11 8. Notwithstanding any other provision of the Code
- 12 to the contrary, a child shall not be placed in
- 13 detention for a violation of section 123.47 or 299.6,
- 14 or for failure to comply with a dispositional order
- 15 which provides for performance of community service
- 16 for a violation of section 123.47 or 299.6."
- 17 2. Page 1, by inserting after line 15 the
- 18 following:
- 19 "Sec. ____ Section 299.5A, unnumbered paragraph 4,
- 20 Code 2003, is amended to read as follows:
- 21 The school district shall be responsible for
- 22 monitoring any agreements arrived at through
- 23 mediation. If a parent, guardian, or legal or actual
- 24 custodian, or the child if the child is twelve years
- 25 of age or older, refuses to engage in mediation or
- 26 violates a term of the agreement, the matter shall be
- 27 rereferred to the county attorney for prosecution
- 28 under section 299.6. The county attorney's office or
- 29 the mediation service shall require the parent,
- 30 guardian, or legal or actual custodian and the school
- 31 to pay a fee to help defray the administrative cost of
- 32 mediation services. The county attorney's office or
- 33 the mediation service shall establish a sliding scale
- 34 of fees to be charged parents, guardians, and legal or

35 actual custodians based upon ability to pay. A
 36 parent, guardian, or legal or actual custodian shall
 37 not be denied the services of a mediator solely
 38 because of inability to pay the fee.
 39 Sec. _____. Section 299.6, unnumbered paragraph 1,
 40 Code 2003, is amended to read as follows:
 41 Any person who violates a mediation agreement under
 42 section 299.5A, who is referred for prosecution under
 43 section 299.5A and is convicted of a violation of any
 44 of the provisions of sections 299.1 through 299.5, who
 45 violates any of the provisions of sections 299.1
 46 through 299.5, or who refuses to participate in
 47 mediation under section 299.5A, for a first offense,
 48 is guilty of a simple misdemeanor. If a child twelve
 49 years of age or older violates a mediation agreement
 50 under section 299.5A, or refuses to participate in

Page 2

1 mediation under section 299.5A, the child commits a
 2 delinquent act."

MASCHER of Johnson

H—1071

1 Amend House File 548 as follows:
 2 1. Page 1, by inserting after line 11 the
 3 following:
 4 "Sec. _____. NEW SECTION. 80B.18 LAW ENFORCEMENT
 5 OFFICER – TRIBAL GOVERNMENT.
 6 A law enforcement officer who is a member of a
 7 police force of a tribal government and who becomes
 8 certified through the Iowa law enforcement academy
 9 shall be subject to the certification and revocation
 10 of certification rules and procedures as provided in
 11 this chapter. The certified law enforcement officer
 12 shall be subject to the jurisdiction of the courts of
 13 this state if an agreement exists between the tribal
 14 government and the state or between the tribal
 15 government and a county, which grants authority to the
 16 law enforcement officer to act in a law enforcement
 17 capacity off a settlement or reservation."
 18 2. By renumbering as necessary.

HORBACH of Tama

H—1072

1 Amend House File 472 as follows:
 2 1. By striking page 1, line 24 through page 2,
 3 line 3 and inserting the following:

- 4 "2. At least 20 percent of the funds remaining
5 from the appropriation made in subsection 1 shall be
6 allocated for prevention programs."
7 2. Page 2, line 4, by striking the figure "4" and
8 inserting the following: "3".

UPMEYER of Hancock

H—1073

- 1 Amend House File 516 as follows:
2 1. Page 1, by inserting after line 22 the
3 following:
4 "Sec. ____ Section 455G.4, Code 2003, is amended
5 by adding the following new subsection:
6 NEW SUBSECTION. 6. REPORTING. Beginning July
7 2003, the board shall submit a written report
8 quarterly to the legislative council, the chairperson
9 and ranking member of the committee on natural
10 resources and environment in the senate, and the
11 chairperson and ranking member of the committee on
12 environmental protection in the house of
13 representatives regarding the status of the program
14 including, but not limited to, the number of open
15 claims by claim type; the number of new claims
16 submitted and the eligibility status of each claim; a
17 summary of the risk classification of open claims; the
18 status of all high risk sites including the number of
19 corrective action design reports submitted, approved,
20 and implemented; total claims reserved and total
21 claims paid; and a summary of budgets approved and
22 invoices paid for high risk site activities including
23 a breakdown by corrective action design report,
24 construction and equipment, implementation, operation
25 and maintenance, monitoring, over excavation, free
26 product recovery, site reclassification, reporting and
27 other expenses, or a similar breakdown. In each
28 report submitted by the board, the board shall include
29 an estimated timeline to complete corrective action at
30 all currently eligible high risk sites. The timeline
31 shall include the projected date when a no further
32 action designation will be obtained based upon the
33 corrective action activities approved or anticipated
34 at each site. The timeline shall be broken down in
35 quarter year increments with the number or percentage
36 of sites projected to be completed for each time
37 period. The report shall identify and report steps
38 taken to expedite corrective action and eliminate the
39 state's liability for open claims."
40 2. By renumbering as necessary.

KLEMME of Plymouth
FORD of Polk

H-1075

- 1 Amend House File 488 as follows:
- 2 1. Page 10, line 24, by inserting after the word
- 3 "allocated" the following: "or reallocated".

FALLON of Polk

H-1078

- 1 Amend House File 542 as follows:
- 2 1. Page 1, by striking line 15 and inserting the
- 3 following:
- 4 "2. An individual shall not".
- 5 2. Page 1, by striking lines 24 through 26 and
- 6 inserting the following: "who intends to become
- 7 certified as a law enforcement officer at an approved
- 8 training school, if all of the following".
- 9 3. Page 1, line 34, by striking the word "with"
- 10 and inserting the following: "from".
- 11 4. Page 2, by striking lines 4 through 7 and
- 12 inserting the following: "'a" shall apply for
- 13 certification through the Iowa law enforcement academy
- 14 and shall meet all of the requirements for law
- 15 enforcement officers and perform satisfactorily on all
- 16 mandatory testing pursuant to rules of the academy."

BAUDLER of Adair

H-1082

- 1 Amend House File 549 as follows:
- 2 1. Page 1, by inserting before line 1 the
- 3 following:
- 4 "Sec. ____ Section 256.7, Code 2003, is amended by
- 5 adding the following new subsection:
- 6 NEW SUBSECTION. 26. Adopt rules, not later than
- 7 July 1, 2004, establishing guidelines and a review
- 8 process for school districts that adopt voluntary
- 9 desegregation plans. The guidelines shall include, at
- 10 a minimum, criteria and standards that a school
- 11 district shall follow when developing a plan for
- 12 purposes that include, but are not limited to,
- 13 establishing attendance center boundaries or
- 14 implementing the provisions of section 282.18,
- 15 subsection 3. The department shall provide technical
- 16 assistance to a school district that is seeking to
- 17 adopt a voluntary desegregation plan. A school
- 18 district implementing a voluntary desegregation plan
- 19 prior to July 1, 2004, shall have until July 1, 2006,
- 20 to comply with guidelines."
- 21 2. By renumbering as necessary.

GIPP of Winneshiek

H—1083

- 1 Amend House File 421 as follows:
- 2 1. Page 1, line 14, by inserting after the word
- 3 "outfitters" the following: "who are residents of the
- 4 state".
- 5 2. Page 1, line 14, by inserting after the word
- 6 "guides" the following: "who are residents of the
- 7 state".

BAUDLER of Adair

H—1084

- 1 Amend House File 400 as follows:
- 2 1. Page 1, line 10, by inserting after the word
- 3 "officer." the following: "However, this paragraph
- 4 only applies to a person on parole or work release for
- 5 a felony."
- 6 2. Page 1, line 34, by inserting after the word
- 7 "or" the following: "if on probation for a
- 8 felony".
- 9 3. Title page, line 1, by striking the word
- 10 "persons" and inserting the following: "felons".

HOGG of Linn

H—1085

- 1 Amend House File 400 as follows:
- 2 1. Page 1, lines 5 and 6, by striking the words
- 3 ", and if the person is released pursuant to a plan of
- 4 early release shall,".

HOGG of Linn

H—1090

- 1 Amend House File 330 as follows:
- 2 1. Page 1, line 16, by inserting after the word
- 3 "cohabiting" the following: "with an individual who
- 4 is named as an alleged perpetrator in a report of
- 5 founded child abuse pursuant to section 232.71D".

SHOULTZ of Black Hawk

H—1094

- 1 Amend House File 532 as follows:
- 2 1. Page 1, by inserting after line 28 the

3 following:

4 "Sec. ____ NEW SECTION. 602.8106A SPEEDING FINE
5 INCREASES - APPROPRIATION TO LAW ENFORCEMENT FOR
6 PATROL VEHICLES.

7 Notwithstanding sections 602.8106 and 602.8108,
8 when a peace officer issues a citation for speeding
9 for which a scheduled fine is assessed under section
10 805.8A, subsection 5, paragraph "b", fifty percent of
11 the increase in such fine, as provided for in this
12 Act, is appropriated to the department of public
13 safety for allocation to the law enforcement agency of
14 which the peace officer is a member, to be used for
15 acquisition and maintenance of patrol vehicles.

16 Sec. ____ Section 805.8A, subsection 5, paragraph
17 b, Code 2003, is amended to read as follows:

18 b. Notwithstanding paragraph "a", for excessive
19 speed violations in speed zones greater than fifty-
20 five miles per hour, the scheduled fine shall be:

21 (1) ~~Ten One hundred~~ dollars for speed not more
22 than ~~five ten~~ miles per hour in excess of the limit.
23 (2) ~~Twenty dollars for speed greater than five but~~
24 ~~not more than ten miles per hour in excess of the~~
25 ~~limit.~~

26 (3) ~~(2) Forty Two hundred~~ dollars for speed
27 greater than ten but not more than ~~fifteen twenty~~
28 miles per hour in excess of the limit, which is in
29 addition to the fine assessed in subparagraph (1).

30 (4) ~~Sixty dollars for speed greater than fifteen~~
31 ~~but not more than twenty miles per hour in excess of~~
32 ~~the limit.~~

33 (5) ~~(3) Sixty dollars plus two Ten~~ dollars f or
34 each mile per hour of excessive speed over twenty
35 miles per hour over the limit, which is in addition to
36 the fine assessed in subparagraphs (1) and (2)."

37 2. Title page, line 2, by inserting after the
38 word "highways" the following: ", increasing fines,
39 and making an appropriation".

40 3. By renumbering as necessary.

BAUDLER of Adair

H-1095

1 Amend House File 448 as follows:

2 1. By striking page 1, line 14 through page 2,
3 line 14.

4 2. Title page, line 1, by striking the words "the
5 real estate commission and".

6 3. By renumbering as necessary.

OSTERHAUS of Jackson

H—1096

1 Amend the amendment, H—1082, to House File 549 as
2 follows:

3 1. Page 1, line 20, by inserting after the word
4 "guidelines," the following: "The adoption of rules
5 and the establishment of guidelines and a review
6 process pursuant to this subsection are subject to an
7 appropriation by the general assembly for that
8 purpose."

WISE of Lee

H—1097

1 Amend the amendment, H—1092, to House File 400 as
2 follows:

3 1. Page 1, line 5, by inserting after the word
4 "department" the following: ", upon sufficient
5 funding,".

HOGG of Linn

H—1098

1 Amend House File 22 as follows:

2 1. Page 1, line 14, by inserting after the word
3 "child," the following: "If joint physical care is
4 awarded to both parents, the child shall reside
5 continuously in a family home and each parent shall
6 reside in the home with the child on an alternate
7 basis in accordance with a schedule established by the
8 court."

JOCHUM of Dubuque

H—1099

1 Amend House File 22 as follows:

2 1. Page 1, by striking lines 3 through 14 and
3 inserting the following:
4 "5. a. Joint physical care may be in the best
5 interest of the child, but joint legal custody does
6 not require joint physical care. When the court
7 determines such action would be in the best interest
8 of the child and would preserve the relationship
9 between each parent and the child, joint physical care
10 may be awarded to both joint custodial parents or
11 physical care may be awarded to one joint custodial
12 parent. If joint physical care is awarded to both
13 parents, the child shall reside continuously in a
14 family home and each parent shall reside in the home

- 15 with the child on an alternate basis in accordance
16 with a schedule established by the court."

JOCHUM of Dubuque

H—1101

1 Amend the amendment, H—1074, to House File 549, as
2 follows:

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

5 "___ By striking page 2, line 11, through page
6 4, line 16."

7 2. Page 1, by inserting after line 16 the
8 following:

9 "___ Page 7, line 1, by striking the figures "2,
10 3," and inserting the following: "3".

11 ___ Page 7, by striking lines 3 through 17.

12 ___ Page 7, line 22, by striking the figures "2
13 2A" and inserting the following: "2".

14 ___ Page 7, line 23, by inserting after the word
15 "agency." the following: "However, notwithstanding
16 the provisions of section 273.8, subsection 2, the
17 notice of the time, date, and place of the director
18 district convention shall be published at least thirty
19 days prior to the day of the district convention in at
20 least one newspaper of general circulation in the
21 director district."

22 ___ Page 9, by striking lines 1 through 9."

23 3. By renumbering as necessary.

JACOBS of Polk

H—1102

1 Amend House File 448 as follows:

2 1. Page 1, by striking lines 1 through 3.

3 2. Page 1, by striking lines 12 and 13.

4 3. By renumbering as necessary.

SWAIM of Davis
EICHHORN of Hamilton

H—1103

1 Amend House File 545 as follows:

2 1. Page 1, line 4, by striking the word "weekly"
3 and inserting the following: "biweekly".

4 2. Page 1, line 5, by striking the word "fifty"
5 and inserting the following: "twenty-six".

- 6 3. Page 1, line 5, by inserting after the word
7 "year" the following: ", or more frequently,".

FORD of Polk

H—1105

- 1 Amend House File 573 as follows:
2 1. Page 1, by striking lines 27 through 34 and
3 inserting the following: "districts."

SWAIM of Davis

H—1107

- 1 Amend the amendment, H—1067, to House File 549, as
2 follows:
3 1. Page 1, by inserting after line 1 the
4 following:
5 "____. Page 10, by inserting after line 26 the
6 following:
7 "Sec.____. Section 279.19, unnumbered paragraph 2,
8 Code 2003, is amended to read as follows:
9 In the case of the termination of a probationary
10 teacher's contract, the provisions of sections 279.15
11 and 279.16 shall apply. ~~However, if the probationary~~
12 ~~teacher is a beginning teacher who fails to~~
13 ~~demonstrate competence in the Iowa teaching standards~~
14 ~~in accordance with chapter 284, the provisions of~~
15 ~~sections 279.17 and 279.18 shall also apply.~~
16 Sec.____. Section 279.19, unnumbered paragraph 4,
17 Code 2003, is amended by striking the unnumbered
18 paragraph.""
19 2. By renumbering as necessary.

MASCHER of Johnson

H—1110

- 1 Amend House File 541 as follows:
2 1. Page 1, by striking lines 4 through 9 and
3 inserting the following:
4 "1. The state registrar shall charge the parent a
5 ~~ten~~ twenty dollar fee for the registration of a
6 certificate of birth, ~~and a~~".
7 2. By striking page 1, line 34, through page 2,
8 line 10 and inserting the following:
9 "a. It is the intent of the general assembly that
10 ~~of the funds generated from the registration fees ten~~
11 ~~dollars of each fee~~ be appropriated and used for
12 primary and secondary child abuse prevention programs
13 ~~and ten dollars of each fee be appropriated and used~~

14 for the birth defects institute central registry
15 established pursuant to section 136A.6."

MURPHY of Dubuque

H—1113

1 Amend House File 607 as follows:

2 1. Page 10, line 5, by inserting after the word
3 "company" the following: "and foreign limited
4 liability company".

5 2. Page 11, line 1, by striking the figure
6 "504A.1706" and inserting the following: "504A.1705".

7 3. Page 11, line 13, by striking the figure
8 "504A.1706" and inserting the following: "504A.1705".

9 4. Page 11, line 20 by striking the figure
10 "504A.1706" and inserting the following: "504A.1705".

11 5. Page 17, by inserting after line 4, the
12 following:

13 "___ A provision eliminating or limiting the
14 liability of a director to the corporation or its
15 members for money damages for any action taken, or any
16 failure to take any action, as a director, except
17 liability for any of the following:

18 (1) The amount of a financial benefit received by
19 a director to which the director is not entitled.

20 (2) An intentional infliction of harm on the
21 corporation or its members.

22 (3) A violation of section 504A.834.

23 (4) An intentional violation of criminal law.

24 A provision set forth in the articles of
25 incorporation pursuant to this paragraph shall not
26 eliminate or limit the liability of a director for an
27 act or omission that occurs prior to the date when the
28 provision becomes effective."

29 6. Page 29, line 4 by striking the word "members"
30 and inserting the following: "such a member".

31 7. Page 61, line 1, by striking the word
32 "therefore" and inserting the following: "therefor".

33 8. Page 76, line 34, by inserting after the word
34 "or" the following: "other".

35 9. Page 77, line 1, by inserting after the word
36 "action" the following: "in the discharge of the
37 person's duties".

38 10. Page 77, line 3, by inserting after the word
39 "is" the following: "not".

40 11. Page 84, line 33, by inserting after the word
41 "class," the following: "or the articles or bylaws
42 provide otherwise,".

43 12. By renumbering as necessary.

MADDOX of Polk

H—1114

- 1 Amend House File 532 as follows:
2 1. Page 1, line 9, by inserting after the word
3 "hour" the following: "except that the speed limit on
4 such highways for vehicles with a gross weight
5 exceeding ten thousand pounds is sixty-five miles per
6 hour".

BAUDLER of Adair

H—1116

- 1 Amend House Concurrent Resolution 16 as follows:
2 1. Page 1, line 10, by inserting after the word
3 "Iowa" the following: "and U.S. Highway 30 across
4 central Iowa".
5 2. Page 1, line 13, by striking the words "as a"
6 and inserting the following: "and U.S. Highway 30
7 as".
8 3. Page 1, line 14, by striking the word
9 "corridor" and inserting the following: "corridors".
10 4. Page 2, by inserting after line 21, the
11 following:
12 "WHEREAS, the road known as U.S. Highway 30 closely
13 follows the historic route known as the Lincoln
14 Highway across central Iowa; and
15 WHEREAS, the Lincoln Highway, extending from New
16 York City to San Francisco, was the first
17 transcontinental paved highway in the United States
18 and the first such road conceived specifically for the
19 automobile; and
20 WHEREAS, the Lincoln Highway continues to generate
21 historic and nostalgic interest among the American
22 public, and Iowa communities stand to benefit from
23 tourism opportunities along that route; and
24 WHEREAS, U.S. Highway 30 connects all north-south
25 interstates in Iowa and serves as an alternate east-
26 west route to heavily traveled Interstate 80; and
27 WHEREAS, U.S. Highway 30 is uniquely positioned to
28 serve as an important conduit for the movement of Iowa
29 agricultural products and manufactured goods; and".
30 5. Page 2, line 22, by striking the words "as a"
31 and inserting the following: "and U.S. Highway 30
32 as".
33 6. Page 2, line 23, by striking the word
34 "corridor" and inserting the following: "corridors".
35 7. Page 2, by inserting after line 29, the
36 following:
37 "BE IT FURTHER RESOLVED, That the Iowa General
38 Assembly supports the completion of U.S. Highway 30 as
39 a high priority corridor across central Iowa; and".

- 40 8. Page 3, line 1, by striking the words "as a"
 41 and inserting the following: "and U.S. Highway 30
 42 as".
 43 9. Page 3, line 2, by striking the word
 44 "corridor" and inserting the following: "corridors".

BUKTA of Clinton
 S. OLSON of Clinton
 HOGG of Linn
 FOEGE of Linn
 KURTENBACH of Story
 PAULSEN of Linn
 HORBACH of Tama

BODDICKER of Cedar
 ELGIN of Linn
 SMITH of Marshall
 GREIMANN of Story
 HEDDENS of Story
 D. OLSON of Boone
 OSTERHAUS of Jackson

H-1117

- 1 Amend House File 330 as follows:
 2 1. Page 1, line 6, by inserting after the word
 3 "party" the following: "who does not have substantial
 4 parenting responsibilities".

LENSING of Johnson

H-1118

- 1 Amend House File 330 as follows:
 2 1. Page 1, line 21, by inserting after the word
 3 "circumstances" the following: "and the court
 4 determines that there is good cause to modify the
 5 custody order".

SMITH of Marshall

H-1119

- 1 Amend House File 330 as follows:
 2 1. Page 1, line 6, by inserting after the word
 3 "party" the following: "for a period of time that
 4 indicates the existence of more than a brief
 5 relationship".

MASCHER of Johnson

H-1122

- 1 Amend House File 330 as follows:
 2 1. Page 1, by striking lines 15 and 16, and
 3 inserting the following:
 4 "NEW SUBSECTION. 9. If a parent is cohabiting,
 5 the court may".
 6 2. Page 1, line 22, by inserting after the word
 7 "child." the following: "The court may consider the

8 cohabitation either a positive or a negative factor in
9 making this determination."

HOGG of Linn

H—1126

1 Amend House File 652 as follows:

2 1. Page 5, by inserting after line 6, the
3 following:

4 "Sec. ____ Section 321.190, subsection 1,
5 paragraph b, Code 2003, is amended to read as follows:

6 b. The department shall ~~not~~ issue a card to a
7 person holding a driver's license upon proper
8 application and payment of the fee provided in
9 paragraph "d". ~~However, a card may be issued to a~~
10 ~~person holding a temporary permit under section~~
11 ~~321.181. The card shall be identical in form to a~~
12 driver's license issued under section 321.189 except
13 the word "nonoperator" shall appear prominently on the
14 face of the card. A nonoperator's identification card
15 issued to a person under eighteen years of age shall
16 contain the same information as any other
17 nonoperator's identification card except that the
18 words "under eighteen" shall appear prominently on the
19 face of the card. A nonoperator's identification card
20 issued to a person eighteen years of age or older but
21 under twenty-one years of age shall contain the same
22 information as any other nonoperator's identification
23 card except that the words "under twenty-one" shall
24 appear prominently on the face of the card."

25 2. Title page, line 1, by striking the words "and
26 making" and inserting the following: "transportation,
27 including making".

28 3. By renumbering as necessary.

MURPHY of Dubuque

H—1127

1 Amend House File 330 as follows:

2 1. Page 1, by striking lines 19 through 22, and
3 inserting the following: "order if the custody order
4 included establishment of a parenting agreement in
5 which the parents agreed to cohabitation of a parent
6 as grounds for modification of the custody order. If
7 the court determines that such parenting agreement
8 exists and that the cohabitation is a substantial
9 change in circumstances, the court may modify the
10 custody order if the modification is in the best
11 interest of the minor child."

GREIMANN of Story

H-1128

1 Amend House File 330 as follows:

2 1. Page 1, by inserting after line 12 the
3 following:

4 "Sec. ____ Section 598.7A, subsection 1, Code
5 2003, is amended to read as follows:

6 1. The district court may, on its own motion or on
7 the motion of any party, order the parties to
8 participate in mediation in any dissolution of
9 marriage action or other domestic relations action.
10 The district court shall order parties to participate
11 in mediation in any dissolution of marriage action or
12 other domestic relations action which involves the
13 issue of child custody or visitation. Mediation

14 performed under this section shall comply with the
15 provisions of chapter 679C. The provisions of this
16 section shall not apply if the action involves a child
17 support or medical support obligation enforced by the
18 child support recovery unit. The provisions of this
19 section shall not apply to actions which involve
20 domestic abuse pursuant to chapter 236. The
21 provisions of this section shall not affect a judicial
22 district's or court's authority to order settlement
23 conferences pursuant to rules of civil procedure. The
24 court shall, on application of a party, grant a waiver
25 from any court-ordered mediation under this section if
26 the party demonstrates that a history of domestic
27 abuse exists as specified in section 598.41,
28 subsection 3, paragraph "j".

29 2. Title page, line 1, by inserting after the
30 word "to" the following: "child custody including
31 mediation requirements and".

32 3. By renumbering as necessary.

GREIMANN of Story

H-1130

1 Amend House File 330 as follows:

2 1. Page 1, line 8, by inserting after the word
3 "wife" the following: "but not legally constituting a
4 common law marriage".

JOCHUM of Dubuque

H-1133

1 Amend House File 595 as follows:

2 1. Page 2, by striking lines 3 through 8, and
3 inserting the following: "~~hearing for all affected~~

4 ~~property owners and the county. Public land may be~~
5 ~~included in the".~~

HUSER of Polk

H—1134

1 Amend House File 595 as follows:
2 1. Page 5, by striking lines 23 and 24, and
3 inserting the following: "chapter, shall,".

HUSER of Polk

H—1135

1 Amend House File 573 as follows:
2 1. Page 1, by inserting before line 1 the
3 following:
4 "Section 1. Section 39.17, unnumbered paragraph 1,
5 Code 2003, is amended to read as follows:
6 There shall be elected in each county at the
7 general election to be held in the year 1976 and every
8 four years thereafter, an auditor and a sheriff, each
9 to hold office for a term of four years. If the
10 county board of supervisors makes the office of the
11 clerk of the district court an elective office
12 pursuant to section 331.701, a clerk of the district
13 court shall be elected for a term of four years in
14 each county at the general election to be held in the
15 year 2004 and every four years thereafter.
16 Sec. 2. NEW SECTION. 331.701 OFFICE OF CLERK OF
17 THE DISTRICT COURT.
18 1. Notwithstanding sections 602.1215 and 602.1216,
19 the county board of supervisors may adopt an ordinance
20 making the office of clerk of the district court an
21 elective office except that if a vacancy occurs in the
22 office, a successor shall be appointed to the
23 unexpired term as provided in chapter 69.
24 2. A person elected or appointed to the office of
25 county clerk of the district court shall qualify by
26 taking the oath of office as provided in section 63.10
27 and give bond as provided in section 64.10.
28 3. The term of office of the clerk is four years.
29 4. The duties and responsibilities of an elected
30 clerk of the district court are the same as an
31 appointed clerk of the district court under sections
32 602.8101 through 602.8109.
33 5. The clerk of the district court and employees
34 in the clerk's office shall become county employees on
35 January 1 of the year following the election of the
36 clerk.
37 Sec. 3. Section 602.1303, Code 2003, is amended by
38 adding the following new subsection:

39 **NEW SUBSECTION.** 10. A county shall pay all
 40 expenses of the office of the clerk of the district
 41 court if the county board of supervisors makes the
 42 office an elective office pursuant to section
 43 331.701."
 44 2. Page 2, by inserting after line 28 the
 45 following:
 46 "Sec.____. **NEW SECTION.** 602.8108B CLERK OF COURT
 47 ELECTIVE OFFICE – DISTRIBUTION OF COURT REVENUE.
 48 If a county board of supervisors makes the office
 49 of clerk of the district court an elective office,
 50 notwithstanding contrary provisions of section

Page 2

1 602.8106, subsection 4, and section 602.8108, fifty
 2 percent of any fine, penalty, court cost, fee,
 3 forfeited bail, or surcharge collected by the clerk of
 4 the district court and submitted to the treasurer of
 5 state or the state court administrator pursuant to
 6 section 602.8105, 602.8106, or 602.8107 or any other
 7 Code provision shall be remitted to the county."
 8 3. Title page, line 2, by inserting after the
 9 words "election districts" the following: ", and
 10 making the clerk of the district court an elective
 11 office".
 12 4. By renumbering as necessary.

EICHHORN of Hamilton

H-1136

1 Amend House File 573 as follows:
 2 1. Page 2, by inserting after line 28 the
 3 following:
 4 "Sec.____. Section 602.8102, subsection 1, Code
 5 2003, is amended to read as follows:
 6 1. Keep the office of the clerk at the county
 7 seat, and be open to the public for court business on
 8 a uniform basis throughout the state."
 9 2. Title page, line 2, by striking the words "and
 10 judicial election districts" and inserting the
 11 following: ", judicial election districts, and the
 12 clerks of the district court".
 13 3. By renumbering as necessary.

EICHHORN of Hamilton

H-1137

1 Amend the amendment, H-1126, to House File 652, as
 2 follows:

- 3 1. Page 1, by inserting before line 4 the
 4 following:
 5 ""Sec. ____ Section 321.182, subsection 2, Code
 6 2003, is amended to read as follows:
 7 2. Surrender all other driver's licenses and
 8 ~~nonoperator's identification cards.~~
 9 2. By renumbering as necessary.

MURPHY of Dubuque

H-1140

- 1 Amend House File 580 as follows:
 2 1. Page 1, by striking lines 7 through 11 and
 3 inserting the following: "may reduce the amount of
 4 plaintiff's recovery by an amount not to exceed five
 5 percent of the damages awarded after any reductions
 6 for comparative fault. In any case where the
 7 plaintiff's recovery of damages is reduced due to
 8 failure to wear a safety belt or safety harness, the
 9 amount of damages reduced shall be paid to the
 10 department for safety belt and safety harness
 11 educational programs established under subsection 2."
 12 2. Title page, line 1, by striking the word
 13 "eliminating" and inserting the following: "relating
 14 to".

HOGG of Linn

H-1143

- 1 Amend House File 580 as follows:
 2 1. Page 1, by striking lines 7 through 11, and
 3 inserting the following: "may reduce the amount of
 4 plaintiff's recovery by an amount not to exceed ~~five~~
 5 fifty percent of the damages awarded after any
 6 reductions for comparative fault."
 7 2. Title page, line 1, by striking the words
 8 "eliminating the" and inserting the following:
 9 "providing for a".

PAULSEN of Linn

H-1144

- 1 Amend House File 647 as follows:
 2 1. Page 5, by inserting after line 26 the
 3 following:
 4 "Sec. ____ NEW SECTION. 509.20 NOTICE OF RATE
 5 INCREASE.
 6 1. For purposes of this section, "policy or
 7 contract for group health benefit coverages, including

- 8 a contract to provide services to a plan providing
9 group health benefit coverages" applies to all of the
10 following:
- 11 a. A group policy of health insurance under this
 - 12 chapter.
 - 13 b. A plan established pursuant to chapter 509A for
 - 14 public employees.
 - 15 c. A plan offered pursuant to chapter 513B.
 - 16 d. A group contract of a nonprofit health service
 - 17 corporation under chapter 514.
 - 18 e. A group plan of a health maintenance
 - 19 organization under chapter 514B.
 - 20 f. An organized delivery system authorized under
 - 21 1993 Iowa Acts, chapter 158, and licensed by the
 - 22 director of public health.
 - 23 g. Preferred provider contracts limiting choice of
 - 24 specific provider.
 - 25 h. Any other policy, contract, or plan for
 - 26 covering the health care costs of a defined group.
- 27 2. A person who issues a policy or contract for
28 group health benefit coverages, including a contract
29 to provide services to a plan providing group health
30 benefit coverages to a group, shall provide notice of
31 a rate increase for the policy or contract at least
32 forty-five days prior to the effective date of the
33 rate increase to the policyholder, contract holder, or
34 sponsor of the group health benefit plan.
- 35 3. A person who issues a policy or contract for
36 group health benefit coverages, including a contract
37 to provide services to a plan providing group health
38 benefit coverages to a group, shall provide notice of
39 cancellation of the policy or contract at least forty-
40 five days prior to the effective date of the rate
41 increase to the policyholder, contract holder, or
42 sponsor of the group health benefit plan."
- 43 2. Page 12, by inserting after line 20 the
44 following:
- 45 "Sec. __. Section 514.6, Code 2003, is amended to
46 read as follows:
- 47 514.6 RATES – APPROVAL BY COMMISSIONER – NOTICE
48 OF INCREASE.
- 49 1. The rates charged by any such corporation to
50 the subscribers for health care service shall at all

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- 1 times be subject to the approval of the commissioner
2 of insurance.
- 3 2. A corporation offering health care services to
4 subscribers pursuant to this chapter shall provide
5 notice of a rate increase to subscribers at least
6 forty-five days prior to the effective date of the

7 rate increase.
8 3. A corporation offering health care services to
9 subscribers pursuant to this chapter shall provide
10 notice of cancellation to a subscriber at least forty-
11 five days prior to the effective date of the
12 cancellation."

13 3. By renumbering, redesignating, and correcting
14 internal references as necessary.

PETERSEN of Polk

H—1155

1 Amend House File 643 as follows:
2 1. Page 12, by striking lines 22 through 25.
3 2. Page 13, by striking lines 12 through 20.
4 3. By renumbering, redesignating, and correcting
5 internal references as necessary.

EICHHORN of Hamilton
SWAIM of Davis

H—1160

1 Amend House File 611 as follows:
2 1. Page 4, by inserting after line 23 the
3 following:
4 "Sec. ____ Section 199.1, Code 2003, is amended by
5 adding the following new subsections:
6 NEW SUBSECTION. 5A. "Contamination" means the
7 unintended presence of a plant or plant part
8 transferred from an originating area to an area
9 without the presence of the plant or plant part that
10 alters the genetic characteristics of a plant.
11 NEW SUBSECTION. 5B. "Crop" means any plant
12 produced from an agricultural seed or vegetable seed,
13 or any harvested part of the plant.
14 NEW SUBSECTION. 6A. "Field" means an originating
15 field or a neighboring field.
16 NEW SUBSECTION. 6B. "Genetically modified" means
17 to alter the genetic characteristics of a plant by
18 modifying the deoxyribonucleic acid of the plant's
19 seed in a manner other than by breeding or
20 pollination.
21 NEW SUBSECTION. 19A. "Seed dealer" means a person
22 who sells or offers for sale agricultural seed or
23 vegetable seed to persons on a retail basis.
24 NEW SUBSECTION. 19B. "Seed labeler" means a
25 person required to label agricultural seed or
26 vegetable seed as provided in section 199.3 or 199.4.

27 Sec.____. Section 199.3, subsection 1, Code 2003,
 28 is amended by adding the following new paragraph:
 29 NEW PARAGRAPH. f. The label shall include an
 30 identification of genetically modified agricultural
 31 seed or vegetable seed included in the container. If
 32 the agricultural seed or vegetable seed is genetically
 33 modified, the label shall comply with sections 199.22
 34 and 199.23.

35 Sec.____. Section 199.8, Code 2003, is amended by
 36 adding the following new subsection:

37 NEW SUBSECTION. 4. A person shall not sell, offer
 38 for sale, or expose for sale agricultural seed or
 39 vegetable seed that has been genetically modified, if
 40 the person has represented that that agricultural seed
 41 or vegetable seed is not genetically modified.

42 Sec.____. Section 199.13, Code 2003, is amended to
 43 read as follows:

44 199.13 PENALTY.

45 1. a. A violation of person who violates this
 46 chapter is guilty of a simple misdemeanor.

47 b. A person who violates subchapter 2 is subject
 48 to a civil penalty of not more than one thousand
 49 dollars. Civil penalties collected under this
 50 paragraph shall be deposited in the general fund of

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1 the state.

2 2. The department may institute criminal or civil
 3 proceedings in a court of competent jurisdiction in
 4 order to enforce this chapter. When in the
 5 performance of the secretary's department's duties in
 6 enforcing this chapter the secretary department
 7 applies to a court for a temporary or permanent
 8 injunction restraining a person from violating or
 9 continuing to violate any of the provisions of this
 10 chapter or rules adopted under this chapter, the
 11 injunction is to be issued without bond and the person
 12 restrained by the injunction shall pay the costs made.
 13 necessary by the procedure.

14 SUBCHAPTER 2

15 GENETICALLY MODIFIED AGRICULTURAL SEED

16 Sec.____. NEW SECTION. 199.21 APPLICABILITY.

17 The department, in consultation with the attorney
 18 general, shall provide an exception from a requirement
 19 in this subchapter as applied to any type of
 20 genetically modified agricultural seed or genetically
 21 modified vegetable seed that is sold or offered for
 22 sale or transported in this state, if the department
 23 determines that the requirement as applied to that
 24 type of agricultural seed or vegetable seed has been
 25 preempted by federal statute or regulation. The

26 department shall establish the exceptions by rule
27 adopted pursuant to chapter 17A. If an exception is
28 not provided for by rule, the department shall
29 establish the exception by declaratory order as
30 provided in section 17A.9, upon receipt of a petition
31 as provided for in that section.

32 Sec. NEW SECTION. 199.22 NOTICE
33 REQUIREMENTS.

34 1. A seed labeler shall provide notice of an
35 agricultural seed or vegetable seed that is
36 genetically modified on the label of a container
37 holding the agricultural seed or vegetable seed as
38 provided in section 199.3 or on a placard as provided
39 in section 199.4. A seed dealer shall provide the
40 same notice in a disclosure statement to a person
41 purchasing the agricultural seed or vegetable seed on
42 a retail basis prior to or at the time of the
43 purchase. The disclosure statement may be contained
44 on a separate form or part of an invoice or bill of
45 sale evidencing a transaction. The seed dealer shall
46 not sell agricultural seed or vegetable seed that has
47 been genetically modified, unless the purchaser signs
48 the disclosure statement acknowledging that the
49 purchaser has read the statement. The seed dealer
50 shall maintain a copy of the acknowledged disclosure

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1 statement as part of the seed dealer's business
2 records.

3 2. The form of the disclosure statement shall be
4 prescribed by rules adopted by the department. The
5 notice shall appear in a printed bold-faced font in at
6 least ten point type. The notice shall appear in the
7 following form:

8 NOTICE
9 GENETICALLY MODIFIED AGRICULTURAL OR
10 VEGETABLE SEED

11 This agricultural or vegetable seed is genetically
12 modified. Please consult the label appearing on this
13 package or the pamphlet required to be attached to the
14 container or accompanying the bulk sale of
15 agricultural or vegetable seed, regarding important
16 production information, including possible
17 restrictions, about the production and marketing of a
18 crop grown from this agricultural or vegetable seed.

19 Sec. NEW SECTION. 199.23 PRODUCTION
20 INFORMATION REQUIREMENTS.

21 1. A seed labeler shall provide production
22 information for agricultural seed or vegetable seed
23 that has been genetically modified as required in this
24 section to the extent that the production information

25 is known by the seed labeler. The production
26 information shall appear on the label as provided in
27 section 199.3 or in a pamphlet attached to the
28 container or accompanying agricultural seed or
29 vegetable seed that is sold in bulk as provided in
30 section 199.4. A seed dealer shall not sell
31 agricultural seed or vegetable seed that the seed
32 labeler identifies as genetically modified, unless the
33 seed dealer provides the purchaser of agricultural
34 seed or vegetable seed with the production
35 information. The production information shall include
36 all of the following:
37 a. A brief description of the consequences of the
38 genetic modification, including but not limited to any
39 consequences affecting hardiness, growth rate, yield,
40 resistance, adaptability, appearance, or intrinsic
41 qualities such as oil content.
42 b. Sound management practices required to minimize
43 the risk of transferring gene characteristics to other
44 varieties of plants. The sound management practices
45 shall consist of requirements for planting
46 agricultural seed or vegetable seed that has been
47 genetically modified and methods to maintain the
48 separated area in order to prevent a significant risk
49 of contamination occurring from any of the following:
50 (1) The transfer of gene characteristics to crops

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1 planted on a neighboring field by pollination,
2 including the pollination of crops or the pollination
3 of other related plants inhabiting the neighboring
4 field.
5 (2) The transfer of agricultural seed or vegetable
6 seed that has been genetically modified to a
7 neighboring field.
8 c. A notice, if necessary, regarding any financial
9 risks associated with marketing the crop, including
10 but not limited to restrictions regarding all of the
11 following:
12 (1) The handling and storage of the crop,
13 including segregation requirements.
14 (2) The sale of the crop in domestic and foreign
15 markets, including import restrictions imposed by
16 other nations.
17 (3) The use of the crop, including restrictions
18 regarding human consumption of the crop or products
19 processed using the crop.
20 2. The language used in the production information
21 shall comply with standard rules of spelling, grammar,
22 punctuation, and usage. The production information
23 shall be printed in a type size of not less than ten

24 points. The production information shall use terms
25 that are commonly understood by a reasonable person of
26 average intelligence, education, and experience who
27 regularly produces crops originating from the same
28 type of agricultural seed or vegetable seed that has
29 been genetically modified that the person is
30 purchasing.

31 Sec. ____ NEW SECTION. 199.24 FOOD CROPS NOT
32 APPROVED FOR HUMAN CONSUMPTION – COLOR-CODED SEEDS OR
33 SECURITY PLAN.

34 1. As used in this section, "designated seed"
35 means agricultural seed or vegetable seed producing a
36 crop that may be processed into a food product, but is
37 not approved for human consumption by an agency of the
38 federal government, including but not limited to the
39 United States food and drug administration, because
40 the agricultural seed or vegetable seed is genetically
41 modified.

42 2. a. A person shall not sell, offer for sale, or
43 transport designated seed in this state, unless any of
44 the following applies:

45 (1) The designated seed is artificially colored
46 solid blaze orange.

47 (2) The department approves a security plan, or
48 amendments to an approved security plan, submitted by
49 the person producing a crop from designated seed,
50 according to rules adopted by the department. The

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1 security plan shall provide for sound management
2 practices used to ensure that there is no risk of
3 contamination, and for harvesting, storing,
4 transporting, processing, marketing, and utilizing
5 crops or goods processed from those crops in a manner
6 that provides no risk that the crops or goods
7 processed from the crops will be utilized for human
8 consumption. The security plan shall be accompanied
9 by all necessary certifications by persons who will
10 harvest, store, transport, process, or market the crop
11 or goods processed from the crop, as required by the
12 department. The department may approve amendments to
13 the security plan.

14 b. A person shall not sell, offer for sale, or
15 transport agricultural seed or vegetable seed in this
16 state that is artificially colored solid blaze orange,
17 unless it is designated seed. A person shall not
18 knowingly use management practices, or harvest, store,
19 transport, process, or market crops or goods processed
20 from those crops in violation of the security plan.

21 Sec. ____ NEW SECTION. 199.25 LIABILITY.

22 1. a. A person who produces a crop produced from

23 agricultural seed or vegetable seed that is
 24 genetically modified shall not be found liable for
 25 damages caused by contamination, if the crop is
 26 produced in accordance with sound management practices
 27 as provided in section 199.23.

28 b. A seed dealer who sells agricultural seed or
 29 vegetable seed in compliance with sections 199.23 and
 30 199.24 shall not be found liable for damages caused by
 31 contamination.

32 c. A seed labeler shall be strictly liable for
 33 damages caused by contamination, if a person who
 34 produces a crop originating from genetically modified
 35 agricultural seed or vegetable seed complies with
 36 sound management practices provided by the seed
 37 labeler as required pursuant to section 199.23.

38 2. A person who is liable for damages caused by
 39 the contamination shall be subject to punitive
 40 damages.

41 Sec.____. DIRECTIONS TO CODE EDITOR. The Code
 42 editor shall organize chapter 199 in conformance with
 43 this Act. The Code editor shall transfer sections
 44 199.11 through 199.14 into a new subchapter 3.

45 Sec.____. EFFECTIVE DATES. The amendments to
 46 sections 199.1, 199.3, 199.8, and 199.13, and sections
 47 199.21, 199.22, 199.23, 199.24; and 199.25, as enacted
 48 in this Act, take effect on September 1, 2003."

49 2. Title page, line 1, by striking the word
 50 "and".

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1 3. Title page, line 3, by inserting after the
 2 word "assistance" the following: ", and providing for
 3 penalties and an effective date".

4 4. By renumbering as necessary.

KUHN of Floyd
 WHITAKER of Van Buren

H—1161

1 Amend House File 647 as follows:

2 1. Page 5, by inserting after line 26 the
 3 following:

4 "Sec.____. NEW SECTION. 509.20 NOTICE OF RATE
 5 INCREASE.

6 1. For purposes of this section, "policy or
 7 contract for group health benefit coverages, including
 8 a contract to provide services to a plan providing
 9 group health benefit coverages" applies to all of the
 10 following:

11 a. A group policy of health insurance under this

12 chapter.

13 b. A plan established pursuant to chapter 509A for
14 public employees.

15 c. A plan offered pursuant to chapter 513B.

16 d. A group contract of a nonprofit health service
17 corporation under chapter 514.

18 e. A group plan of a health maintenance
19 organization under chapter 514B.

20 f. An organized delivery system authorized under
21 1993 Iowa Acts, chapter 158, and licensed by the
22 director of public health.

23 g. Preferred provider contracts limiting choice of
24 specific provider.

25 h. Any other policy, contract, or plan for
26 covering the health care costs of a defined group.

27 2. A person who issues a policy or contract for
28 group health benefit coverages, including a contract
29 to provide services to a plan providing group health
30 benefit coverages to a group, shall provide notice of
31 a rate increase for the policy or contract at least
32 forty-five days prior to the effective date of the
33 rate increase to the policyholder, contract holder, or
34 sponsor of the group health benefit plan."

35 2. Page 12, by inserting after line 20 the
36 following:

37 "Sec. ___. Section 514.6, Code 2003, is amended to
38 read as follows:

39 514.6 RATES – APPROVAL BY COMMISSIONER – NOTICE
40 OF INCREASE.

41 1. The rates charged by any such corporation to
42 the subscribers for health care service shall at all
43 times be subject to the approval of the commissioner
44 of insurance.

45 2. A corporation offering health care services to
46 subscribers pursuant to this chapter shall provide
47 notice of a rate increase to subscribers at least
48 forty-five days prior to the effective date of the
49 rate increase."

50 3. By renumbering, redesignating, and correcting

Page 2

1 internal references as necessary.

PETERSEN of Polk

H—1162

1 Amend House File 587 as follows:

2 1. Page 1, line 34, by striking the words "by a"
3 and inserting the following: "by an understandable
4 and clearly visible".

- 5 2. Page 2, line 3, by inserting after the word
 6 "instruct." the following: "When reasonable minds may
 7 differ as to whether a warning or instruction is
 8 understandable and clearly visible, the issues shall
 9 be decided by the trier of fact."
 10 3. By renumbering as necessary.

SWAIM of Davis

H—1164

- 1 Amend Senate File 390, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 1, by striking lines 4 and 5, and
 4 inserting the following: "this section to the
 5 contrary, a county that has adopted a".
 6 2. Page 10, by striking lines 28 and 29, and
 7 inserting the following: "districts, the plan".
 8 3. Page 10, lines 31 and 32, by striking the
 9 words "for such a county".

HOGG of Linn

H—1166

- 1 Amend Senate File 390, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. By striking page 4, line 30 through page 5,
 4 line 34.
 5 2. Page 8, lines 18 and 19, by striking the words
 6 "election or at a special election." and inserting the
 7 following: "election.".
 8 3. Page 8, lines 27 and 28, by striking the words
 9 "a special election" and inserting the following:
 10 "the next general election".
 11 4. Page 8, line 35, by striking the words "or at
 12 a special election".
 13 5. By renumbering as necessary.

HOGG of Linn

H—1167

- 1 Amend Senate File 390, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 5, by inserting after line 34, the
 4 following:
 5 "Sec. ____ Section 331.237, subsection 3, Code
 6 2003, is amended to read as follows:
 7 3. If a charter is submitted to the electorate but
 8 is not adopted, another charter shall not be submitted
 9 to the electorate for two six years. If a charter is
 10 adopted, it may be amended at any time. If a charter
 11 is adopted, a proposed charter for another alternative

- 12 form of county government shall not be submitted to
13 the electorate for six years."
14 2. Page 14, line 25, by striking the word "two"
15 and inserting the following: "six".
16 3. Page 19, line 1, by striking the word "two"
17 and inserting the following: "six".
18 4. By renumbering, redesignating, and correcting
19 internal references as necessary.

HOGG of Linn

H—1169

- 1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 4, line 9, by striking the words "of
4 whether" and inserting the following: "that".
5 2. Page 4, line 10, by striking the words "or
6 nonpartisan".
7 3. Page 11, by striking lines 5 through 7, and
8 inserting the following:
9 "1. Provide for the partisan election of its
10 officers."
11 4. Page 16, by striking lines 18 through 20, and
12 inserting the following: "specifically provide that
13 the election of new officers shall be on a partisan
14 basis. The elections shall be".
15 5. Page 17, by striking lines 24 through 29.
16 6. Page 21, by striking lines 17 through 20, and
17 inserting the following: "commission created pursuant
18 to section 331.233."
19 7. By renumbering as necessary.

HOGG of Linn

H-1173

1 Amend House File 647 as follows:

2 1. Page 1, by inserting before line 1 the
3 following:

4 "DIVISION I

5 IOWA UNIFORM SECURITIES ACT

6 Section 1. Section 502.102, subsection 3,
7 paragraph a, subparagraph (3), Code 2003, is amended
8 to read as follows:

9 (3) Effecting transactions in a federal covered
10 security as described in sections 18(b)(3) ~~and~~
11 ~~18(b)(4)(D)~~ of the Securities Act of 1933 as amended
12 in Pub. L. No. 104-290, if a commission or other
13 remuneration is not either directly or indirectly paid
14 any person for soliciting in this state.

15 Sec. 2. Section 502.102, subsection 4, paragraph
16 d, Code 2003, is amended to read as follows:

17 d. A cooperative organized pursuant to chapter 501
18 for the purpose of engaging in the activities of an
19 agricultural association as defined in section 499.2.

20 ~~d. e.~~ Any other entity which is organized on a
21 cooperative basis under the laws of this state for the
22 purpose of engaging in the activities of an

23 agricultural association as defined in section 499.2.
24 Sec. 3. Section 502.202, subsection 19, Code 2003,
25 is amended by striking the subsection.

26 Sec. 4. Section 502.202, Code 2003, is amended by
27 adding the following new subsection:

28 NEW SUBSECTION. 20. A nonissuer transaction in an
29 outstanding security by or through a broker-dealer
30 registered or exempt from registration under this
31 chapter, if:

32 a. The issuer is a reporting issuer in a foreign
33 jurisdiction designated by this subsection or by rule
34 adopted or order issued under this chapter;

35 b. The issuer has been subject to continuous
36 reporting requirements in the foreign jurisdiction for
37 not less than one hundred eighty days before the
38 transaction; and

39 c. (i) The security is listed on the foreign
40 jurisdiction's securities exchange that has been
41 designated by this paragraph or by rule adopted or
42 order issued under this chapter; or

43 (ii) The security is a security of the same issuer
44 that is of senior or substantially equal rank to the
45 listed security; or

46 (iii) The security is a warrant or right to
47 purchase or subscribe to any of the securities
48 described in this paragraph "c".

49 For purposes of this subsection, Canada, together
50 with its provinces and territories, is a designated

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1 foreign jurisdiction and the Toronto stock exchange,
2 inc., is a designated securities exchange. The
3 administrator, by rule or order, may revoke the
4 designation of a securities exchange under this
5 subsection, if the administrator finds that revocation
6 is necessary or appropriate in the public interest and
7 for the protection of investors. An order issued
8 under this subsection must comply with section
9 502.204.

10 Sec. 5. Section 502.303, subsection 5, Code 2003,
11 is amended to read as follows:

12 5. The administrator may make examinations, within
13 or without this state, of the business and records of
14 each ~~registered broker-dealer or registered or~~
15 ~~required to be registered, the broker-dealer's agent,~~
16 ~~an investment adviser registered or required to be~~
17 ~~registered, or an investment adviser representative,~~
18 at the times and in the scope as the administrator
19 determines. The examinations may be made without
20 prior notice to the broker-dealer or investment
21 adviser. The administrator may copy all records the
22 administrator believes are necessary to conduct the
23 examination. The expense reasonably attributable to
24 ~~an examination of the business records of the broker-~~
25 ~~dealer or the broker-dealer's agent whose business is~~
26 ~~examined shall be paid by the broker-dealer or and the~~
27 ~~expense reasonably attributable to an examination of~~
28 ~~the business records of the investment adviser or the~~
29 ~~investment adviser representative whose business is~~
30 ~~examined, but shall be paid by the investment adviser.~~
31 ~~However,~~ the expense so payable shall not exceed an
32 amount which the administrator by rule prescribes.
33 For the purpose of avoiding unnecessary duplication of
34 examinations, the administrator may cooperate with
35 securities administrators of other states, the
36 securities and exchange commission, and any national
37 securities exchange or national securities association
38 registered under the Securities Exchange Act of 1934.
39 The administrator shall not make public the
40 information obtained in the course of ~~examinations an~~
41 ~~examination, except when under any of the following~~
42 ~~circumstances:~~

43 a. ~~When~~ a duty under this chapter requires the
44 administrator to take action regarding a broker-dealer
45 ~~or, the broker-dealer's agent, an investment adviser,~~
46 ~~or an investment adviser representative~~ to make the
47 information available to one of the agencies specified
48 in this section, ~~or except when,~~
49 b. ~~When~~ the administrator is called as a witness
50 in a criminal or civil proceeding.

Page 3

1 Sec. 6. Section 502.304, subsection 1, paragraph
2 g, Code 2003, is amended to read as follows:
3 g. Has engaged in dishonest or unethical practices
4 in the securities, commodities, investment, franchise,
5 banking, finance, or insurance business;

6 DIVISION II

7 BUSINESS OPPORTUNITY PROMOTIONS

8 Sec. 7. Section 22.7, subsection 42, Code 2003, is
9 amended to read as follows:

10 42. Information obtained by the commissioner of
11 insurance in the course of an investigation as
12 provided in section 502.603, ~~523B.8,~~ or 523C.23.

13 Sec. 8. Section 523B.1, subsection 1, Code 2003,
14 is amended by striking the subsection.

15 Sec. 9. Section 523B.1, subsection 3, paragraph a,
16 unnumbered paragraph 1, Code 2003, is amended to read
17 as follows:

18 "Business opportunity" means an opportunity to
19 start a business according to the terms of a contract
20 ~~or agreement,~~ between a seller and purchaser, ~~express~~
21 ~~or implied, orally or in writing, at in which the~~
22 purchaser provides an initial investment exceeding
23 five hundred dollars, ~~where; the parties agree~~ seller
24 represents that the seller, or a person recommended by
25 the seller is to provide to the purchaser any
26 products, equipment, supplies, materials, or services
27 for the purpose of enabling the purchaser to start a
28 the business; and the seller represents, directly or
29 indirectly, orally or in writing, any of the
30 following:

31 Sec. 10. Section 523B.1, subsection 3, paragraph
32 b, subparagraph (5), Code 2003, is amended to read as
33 follows:

34 (5) The renewal or extension of a business
35 opportunity contract ~~or agreement~~ entered into under
36 this chapter or prior to July 1, 1981.

37 Sec. 11. Section 523B.1, Code 2003, is amended by
38 adding the following new subsection:

39 NEW SUBSECTION. 3A. "Contract" means any
40 agreement between parties which is express or implied,
41 and which is made orally or in writing.

42 Sec. 12. Section 523B.1, subsection 4, unnumbered
43 paragraph 1, Code 2003, is amended to read as follows:

44 "Franchise" means a contract ~~or agreement~~ between a
45 seller and a purchaser, ~~express or implied, orally or~~
46 ~~in writing,~~ where the parties agree to ~~both~~ all of the
47 following:

48 Sec. 13. Section 523B.1, subsections 9, 10, and
49 12, Code 2003, are amended to read as follows:

50 9. "Person" means ~~an individual, corporation,~~

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~~trust, partnership, incorporated or unincorporated association, or any other legal entity, provided, however, person the same as defined in section 4.1, except that it~~ does not include a government or governmental subdivision or agency.

10. "Purchaser" means a person who enters into a contract ~~or agreement~~ for the acquisition of a business opportunity or a person to whom an offer to sell a business opportunity is directed.

12. "Sale" or "sell" includes every contract ~~or agreement of~~ for sale, contract to sell, or disposition of, a business opportunity or interest in a business opportunity for value.

Sec. 14. Section 523B.2, subsections 1 through 7, Code 2003, are amended by striking the subsections.

Sec. 15. Section 523B.2, subsection 8, paragraphs a and b, Code 2003, are amended to read as follows:

1. IRREVOCABLE CONSENT TO SERVICE. A person required to file an irrevocable consent to service of process with the secretary of state as a seller as provided in section 523B.2A shall not act as a seller in the state

a. ~~It is unlawful to offer or sell a business opportunity required to be registered pursuant to this chapter unless the person provides a written disclosure document as filed under subsection 2 is delivered to each purchaser. The person shall deliver the written disclosure document to the purchaser at least ten business days prior to the earlier of the purchaser's execution by a purchaser of a contract or agreement imposing a binding legal obligation on the purchaser or the payment by a purchaser of any consideration in connection with the offer or sale of the business opportunity.~~

b. 2. DISCLOSURE DOCUMENT COVER SHEET. The disclosure document shall have a cover sheet which is entitled, shall consist of a title printed in bold and a statement. The title and statement shall be in at least ten point bold type, "DISCLOSURE REQUIRED BY IOWA LAW," and shall appear as follows:

DISCLOSURE REQUIRED BY IOWA LAW
Under the title shall appear the following statement in at least ten point type: "The registration of this business opportunity does not constitute approval, recommendation, or endorsement by the state of Iowa. The information contained in this disclosure document has not been verified by this state. If you have any questions or concerns about this investment, seek professional advice before you sign a contract or make any payment. You are to be provided ten (10)

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1 business days to review this document before signing a
2 contract ~~or agreement~~ or making any payment to the
3 seller or the seller's ~~representative.~~
4 representative.

5 The seller's name and principal business address,
6 along with the date of the disclosure document, shall
7 also be provided on the cover sheet. No other
8 information shall appear on the cover sheet.

9 3. DISCLOSURE DOCUMENT CONTENTS. A disclosure
10 document shall be in one of the following forms:

11 a. A uniform franchise offering circular prepared
12 in accordance with the guidelines adopted by the North
13 American securities administrators association, inc.,
14 as amended through the effective date of this Act.

15 b. A disclosure document prepared pursuant to the
16 federal trade commission rule relating to disclosure
17 requirements and prohibitions concerning franchising
18 and business opportunity ventures in accordance with
19 16 C.F.R. § 436.

20 c. A form that includes all of the following:

21 Sec. 16. Section 523B.2, subsection 8, paragraph
22 c, unnumbered paragraph 1, Code 2003, is amended by
23 striking the unnumbered paragraph.

24 Sec. 17. Section 523B.2, subsection 8, paragraph
25 c, subparagraphs (13), (17), (18), (19), and (20),
26 Code 2003, are amended to read as follows:

27 (13) The business opportunity seller that secures
28 a bond pursuant to subsection 10 shall include in the
29 disclosure document the following statement: "As
30 required by the state of Iowa, the seller has secured
31 a bond issued by [insert name and address of surety
32 company], a surety company, authorized to do business
33 in this state. Before signing a contract ~~or agreement~~
34 to purchase this business opportunity, you should
35 check with the surety company to determine the bond's
36 current status."

37 (17) A statement describing any contractual
38 restrictions, prohibitions, or limitations on the
39 purchaser's conduct. Attach a copy of all business
40 opportunities and other contracts ~~or agreements~~
41 proposed for use or in use in this state including,
42 without limitation, all lease agreements, option
43 agreements, and purchase agreements.

44 (18) The rights and obligations of the seller and
45 the purchaser regarding termination of the business
46 opportunity contract ~~or agreement~~.

47 (19) A statement accurately describing the grounds
48 upon which the purchaser may initiate legal action to
49 terminate the business opportunity contract ~~or~~
50 ~~agreement.~~

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1 (20) A copy of the most recent audited financial
2 statement of the seller, prepared within thirteen
3 months of the first offer in this state, together with
4 a statement of any material changes in the financial
5 condition of the seller from that date. The
6 administrator may allow the seller to submit a limited
7 review in order to satisfy the requirements of
8 subparagraph (13).

9 Sec. 18. Section 523B.2, subsection 8, paragraph
10 c, subparagraph (25), Code 2003, is amended by
11 striking the subparagraph.

12 Sec. 19. Section 523B.2, subsection 9, paragraphs
13 a and b, Code 2003, are amended to read as follows:

14 a. It is unlawful to A person shall not offer or
15 sell a business opportunity required to be registered
16 unless the a business opportunity contract or
17 agreement is in writing and a copy of the contract or
18 agreement is given provided to the purchaser at the
19 time the purchaser signs executes the contract or
20 agreement.

21 b. The contract or agreement is subject to this
22 chapter and section 714.16.

23 Sec. 20. Section 523B.2, subsection 9, paragraph
24 c, unnumbered paragraph 1, Code 2003, is amended to
25 read as follows:

26 Contracts or agreements A business opportunity
27 contract shall set forth in at least ten point type or
28 equivalent size, if handwritten, all of the following:

29 Sec. 21. Section 523B.2, subsection 10, Code 2003,
30 is amended by striking the subsection.

31 Sec. 22. NEW SECTION. 523B.2A SERVICE OF
32 PROCESS.

33 1. A person shall not act as a seller in this
34 state unless the person has filed an irrevocable
35 consent of service of process with the secretary of
36 state on a form approved by the secretary of state.
37 The form shall appoint the secretary of state to be
38 the seller's attorney to receive service of process
39 for any lawful process in a noncriminal suit, action,
40 or proceeding against the seller or the seller's
41 successor, executor, or administrator which arises
42 under this chapter after the consent has been filed.
43 Service of process delivered to the secretary of state
44 shall have the same force and validity as if served
45 personally on the person filing the consent.

46 2. A person who engages in conduct prohibited or
47 made actionable under this chapter and who has not
48 filed a consent to service of process is deemed to
49 have appointed the attorney general to be the person's
50 attorney for purposes of service of process in a

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1 noncriminal suit, action, or proceeding against the
2 person or the person's successor, executor, or
3 administrator, which is the result of that conduct and
4 which is brought under this chapter, including a rule
5 adopted or order issued under this chapter. Service
6 of process shall be made by leaving a copy of the
7 process in the office of the attorney general.
8 Service of process is effective after both of the
9 following have occurred:

10 a. The plaintiff, who may be the attorney general,
11 in a suit, action, or proceeding instituted by the
12 attorney general, sends notice of the service and a
13 copy of the process by certified mail or restricted
14 certified mail to the defendant's or respondent's last
15 known address or takes other steps which are
16 reasonably calculated to give actual notice.

17 b. The plaintiff's affidavit of compliance with
18 this subsection is filed on or before the return day
19 of the process, if any, or within such further time as
20 the court allows.

21 3. When process is served under this section, the
22 court, or the attorney general in a proceeding before
23 the attorney general, shall order such continuance as
24 may be necessary to afford the defendant or respondent
25 reasonable opportunity to defend.

26 Sec. 23. Section 523B.3, Code 2003, is amended to
27 read as follows:

28 **523B.3 EXEMPTIONS FROM REGISTRATION AND DISCLOSURE**
29 **REQUIREMENTS.**

30 ~~1. EXEMPTIONS.~~ The following business
31 opportunities are exempt from the requirements of
32 section 523B.2:

33 ~~a. 1.~~ The offer or sale of a business opportunity
34 if the purchaser is a bank, savings and loan
35 association, trust company, insurance company, credit
36 union, or investment company as defined by the federal
37 Investment Company Act of 1940, a pension or profit-
38 sharing trust, or other financial institution or
39 institutional buyer, or a broker-dealer registered
40 pursuant to chapter 502, whether the purchaser is
41 acting for itself or in a fiduciary capacity.

42 ~~b. 2. a.~~ The An offer or sale of a business
43 opportunity which is defined as a franchise under
44 ~~section 523B.1, subsection 4,~~ provided that the seller
45 delivers to each purchaser at the earlier of the first
46 personal meeting between the seller and the purchaser,
47 or ten business days prior to the earlier of the
48 execution by a purchaser of a contract or agreement
49 imposing a binding legal obligation on the purchaser
50 or the payment by a purchaser of any consideration in

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1 connection with the offer or sale of the business
2 opportunity, one of the following disclosure
3 documents:

4 (1) A uniform franchise-offering circular prepared
5 in accordance with the guidelines adopted by the North
6 American securities administrators association, inc.,
7 as amended through September 21, 1983.

8 (2) A disclosure document prepared pursuant to the
9 federal trade commission rule entitled "Disclosure
10 requirements and prohibitions concerning franchising
11 and business opportunity ventures", 16 C.F.R. § 436
12 (1979).

13 b. For the purposes of this ~~paragraph~~ subsection,
14 a personal meeting means a face-to-face meeting
15 between the purchaser and the seller or their
16 representatives, which is held for the purpose of
17 discussing the offer or sale of a business
18 opportunity. The ~~administrator~~ attorney general may
19 by rule adopt any amendment to the uniform franchise-
20 offering circular that has been adopted by the North
21 American securities administrators association, inc.,
22 or any amendment to the disclosure document prepared
23 pursuant to the federal trade commission rule entitled
24 "Disclosure requirements and prohibitions concerning
25 franchising and business opportunity ventures", 16
26 C.F.R. § 436 (1979), that has been adopted by the
27 federal trade commission.

28 c. 3. The offer or sale of a business opportunity
29 for which the cash payment made by a purchaser does
30 not exceed five hundred dollars and the payment is
31 made for the not-for-profit sale of sales
32 demonstration equipment, material, or samples, or the
33 payment is made for product inventory sold to the
34 purchaser at a bona fide wholesale price.

35 d. ~~The offer or sale of a business opportunity~~
36 ~~which the administrator exempts by order or a class of~~
37 ~~business opportunities which the administrator exempts~~
38 ~~by rule upon the finding that the exemption would not~~
39 ~~be contrary to public interest and that registration~~
40 ~~would not be necessary or appropriate for the~~
41 ~~protection of purchasers.~~

42 2. Denial or revocation of exemptions.

43 a. ~~If the public interest of the protection of~~
44 ~~purchasers so requires, the administrator may by order~~
45 ~~deny or revoke an exemption specified in this section~~
46 ~~with respect to a particular offering of one or more~~
47 ~~business opportunities. An order shall not be entered~~
48 ~~without appropriate prior notice to all interested~~
49 ~~parties, opportunity for hearing, and written findings~~
50 ~~of fact and conclusions of law.~~

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1 b. If the public interest or the protection of
 2 purchasers so requires, the administrator may by order
 3 summarily deny or revoke any of the specified
 4 exemptions pending final determination of any
 5 proceedings under this section. Upon entry of the
 6 order, the administrator shall promptly notify all
 7 interested parties that it has been entered and of the
 8 reasons for entering the order and that within fifteen
 9 days of the receipt of a written request the matter
 10 will be set down for hearing. If a hearing is not
 11 requested the order shall remain in effect until it is
 12 modified or vacated by the administrator. If a
 13 hearing is requested or ordered, the administrator
 14 shall not modify or vacate the order or extend it
 15 until final determination.

16 e. An order under this section shall not operate
 17 retroactively.

18 d. ~~a person does not violate section 523B.2 by~~
 19 ~~reason of an offer or sale effected after the entry of~~
 20 ~~an order under paragraph "b" if the person sustains~~
 21 ~~the burden of proof that the person did not know, and~~
 22 ~~in the exercise of reasonable care could not have~~
 23 ~~known, of the order.~~

24 3. BURDEN OF PROOF. In an administrative, civil,
 25 or criminal proceeding related to this chapter, the
 26 burden of proving an exemption, an exception from a
 27 definition, or an exclusion from this chapter, is upon
 28 the person claiming it.

29 Sec. 24. Section 523B.7, subsection 1, Code 2003,
 30 is amended to read as follows:

31 1. a. A person who violates requirements for
 32 disclosure and the contents of business opportunity
 33 contracts pursuant to section 523B.2, subsection 1, 8,
 34 ~~or 9,~~ is liable to the purchaser in an action for
 35 rescission of the agreement contract, or for recovery of
 36 all money or other valuable consideration paid for the
 37 business opportunity, and for actual damages together
 38 with interest as determined pursuant to section 668.13
 39 from the date of sale, reasonable attorney's fees, and
 40 court costs.

41 b. A person who violates provides misleading
 42 advertising as provided in section 523B.12, subsection
 43 ~~2 or 3,~~ is liable to the purchaser who may sue either
 44 at law or in equity for rescission of the contract, or
 45 for recovery of all money or other valuable
 46 consideration paid for the business opportunity, and
 47 for the recovery of treble damages together with
 48 interest as determined pursuant to section 668.13 from
 49 the date of sale, reasonable attorney's fees, and
 50 court costs.

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1 c. A person who violates disclosure requirements
2 of section 523B.2, subsection 8, or who provides
3 misleading advertising as provided in section 523B.12,
4 subsection 2 or 3, or who breaches a business
5 opportunity contract or agreement or an obligation
6 arising under the contract or agreement, is liable to
7 the purchaser who. The purchaser may sue the surety
8 of the seller's bond, either at law or in equity, to
9 recover all money or other valuable consideration paid
10 for the business opportunity and actual damages,
11 together with interest as determined pursuant to
12 section 668.13 from the date of sale, reasonable
13 attorney's fees, and court costs. The liability of
14 the surety shall not exceed the amount of the bond.

15 Sec. 25. Section 523B.8, Code 2003, is amended to
16 read as follows:

17 523B.8 POWERS OF ADMINISTRATOR ENFORCEMENT.

18 1. a. Upon the administrator's attorney general's
19 determination that a person has engaged, is engaging,
20 or is about to engage in any act or practice
21 constituting a violation of this chapter or, including
22 a rule adopted or order adopted or issued under this
23 chapter, the administrator attorney general may issue
24 a summary order directing the person to cease and
25 desist from engaging in the act or practice or to take
26 other affirmative action as in the judgment of the
27 administrator attorney general is necessary to comply
28 with the requirements of this chapter.

29 b. If a hearing is not timely requested the person
30 against whom the order is made does not contest the
31 order as provided in chapter 17A, the summary order
32 becomes final by operation of law. The order shall
33 remain effective from the date of issuance until the
34 date the order becomes final by operation of law or is
35 overturned by a presiding officer or court following a
36 request for hearing after the order is contested. A
37 person who has been issued a summary order under this
38 subsection may contest it by filing a request for may
39 initiate a contested case proceeding as provided in
40 chapter 17A and in accordance with the rules adopted
41 by the administrator attorney general. However, the
42 person shall have at least thirty days from the date
43 that the order is issued in order to file the request
44 initiate the contested case proceeding. Section
45 17A.18A is inapplicable to a summary order issued
46 under this subsection.

47 c. A person violating a summary order issued under
48 this subsection shall be deemed in contempt of that
49 order. The administrator attorney general may
50 petition the district court to enforce the order as

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1 certified by the ~~administrator~~ attorney general. The
2 district court shall adjudge the person in contempt of
3 the order if the court finds after a hearing that the
4 person is not in compliance with the order. The court
5 shall assess a civil penalty against the person in an
6 amount not less than three thousand dollars but not
7 greater than ten thousand dollars per violation, and
8 may issue further orders as it deems appropriate.

9 A consent agreement between the ~~administrator~~
10 attorney general and the seller may be filed in the
11 miscellaneous docket of the clerk of the district
12 court.

13 2. a. The ~~administrator~~ attorney general shall
14 conduct investigations necessary to administer and
15 enforce this chapter. The attorney general may do any
16 of the following:

17 (1) Make public or private investigations within
18 or outside of this state as the ~~administrator~~ attorney
19 general deems necessary to determine whether a person
20 has violated or is about to violate a provision of
21 this chapter ~~or, including a rule adopted or order~~
22 ~~issued under this chapter, or to aid in the~~
23 ~~enforcement of this chapter or in the prescribing of~~
24 ~~rules and forms under this chapter.~~

25 (2) Notwithstanding chapter 22, keep confidential
26 the information obtained in the course of an
27 investigation. However, if the ~~administrator~~ attorney
28 general determines that it is necessary or appropriate
29 in the public interest or for the protection of the
30 public, the ~~administrator~~ attorney general shall share
31 information with the insurance division of the
32 department of commerce, or with other regulatory
33 authorities or governmental agencies, or may publish
34 information concerning a violation of this chapter or
35 a rule adopted or order issued under this chapter.

36 (3) Require or permit a person to file a
37 statement, under oath or otherwise as the
38 ~~administrator~~ attorney general determines, as to all
39 the facts and circumstances concerning the matter to
40 be investigated.

41 (4) Publish information concerning a violation of
42 this chapter ~~or, including a violation of a rule or~~
43 ~~order under this chapter.~~

44 b. For the purpose of ~~an investigation or~~
45 ~~proceeding under enforcing~~ this chapter, the
46 ~~administrator or an officer designated by the~~
47 ~~administrator~~ attorney general may administer oaths
48 and affirmations, subpoena witnesses, compel the
49 attendance of witnesses, take evidence and require the
50 production of records which the ~~administrator~~ attorney

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1 general deems relevant or material to the inquiry.

2 c. If a person resists or refuses to obey a
3 subpoena issued to that person, the district court
4 upon application by the ~~administrator~~ attorney general
5 may issue to the person an order requiring the person
6 to appear before the ~~administrator~~ attorney general,
7 to produce documentary evidence if so ordered, or to
8 give evidence related to the matter under
9 investigation. Failure to obey the order of the court
10 is punishable as a contempt of court.

11 d. A person is not excused from attending and
12 testifying or from producing a document or record
13 before the ~~administrator or an officer designated by~~
14 ~~the administrator~~ attorney general, on the grounds
15 that the testimony or evidence, documentary or
16 otherwise, required by the ~~administrator~~ attorney
17 general may tend to incriminate the person or subject
18 the person to a penalty or forfeiture. However, an
19 individual shall not be prosecuted or subjected to a
20 penalty or forfeiture on account of a transaction,
21 matter, or thing concerning which the person is
22 compelled, after claiming the person's privilege
23 against self-incrimination, to testify or produce,
24 except that the individual testifying is not exempt
25 from prosecution and punishment for perjury or
26 contempt related to such testimony.

27 ~~3. Judicial review of a decision of the~~
28 ~~administrator may be sought under chapter 17A.~~

29 4. 3. a. If it appears to the ~~administrator~~
30 attorney general that a person has engaged, is
31 engaged, or is about to engage in any act or practice
32 constituting a violation of this chapter, ~~or of~~
33 including a rule adopted or order ~~adopted or issued~~
34 under this chapter, the ~~administrator~~ attorney general
35 may bring an action in the district court to enjoin
36 the acts act or ~~practices~~ practice constituting the
37 violation and to enforce compliance with this chapter
38 ~~or any rule or order adopted or issued pursuant to~~
39 ~~this chapter.~~ Upon a proper showing a permanent or
40 temporary injunction shall be granted and a receiver
41 or conservator may be appointed for the defendant or
42 the defendant's assets. Upon proper showing by the
43 ~~administrator~~ attorney general, the court may enter an
44 order of rescission, restitution, or disgorgement, as
45 well as prejudgment and postjudgment interest,
46 directed at any person who has engaged in an act
47 constituting a violation of this chapter.

48 b. The ~~administrator~~ attorney general, in bringing
49 an injunctive action ~~under paragraph "a"~~, shall not be
50 required to post bond.

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1 4. The attorney general may refer available
2 evidence concerning a possible violation of chapter
3 502 to the insurance division of the department of
4 commerce.

5 5. The attorney general may institute appropriate
6 criminal proceedings or may direct the case to the
7 appropriate county attorney to institute appropriate
8 criminal proceedings.

9 Sec. 26. Section 523B.10, Code 2003, is amended to
10 read as follows:

11 523B.10 RULES.

12 ~~The administrator~~ attorney general may adopt rules
13 according to chapter 17A ~~as necessary or appropriate~~
14 ~~for the protection of purchasers and to implement the~~
15 ~~purposes of this and the provisions of this chapter as~~
16 required to administer and enforce this chapter,
17 including but not limited to rules governing
18 registrations, applications, disclosure statements,
19 and reports. In adopting rules the administrator
20 ~~shall co-operate with agency administrators of other~~
21 ~~states and the federal trade commission to achieve~~
22 ~~uniformity in the form and content of registrations,~~
23 ~~applications and reports as practicable.~~

24 Sec. 27. Section 523B.11, Code 2003, is amended to
25 read as follows:

26 523B.11 PENALTIES.

27 1. a. A seller who willfully violates
28 requirements for disclosure and the contents of
29 business opportunity contracts pursuant to section
30 523B.2, subsection 1, 8, or 9, or who provides
31 misleading advertising as provided in section 523B.12,
32 subsection 2, who willfully violates a rule under this
33 chapter, who willfully violates an order of which the
34 person has notice, or who violates section 523B.12,
35 subsection 1, knowing that the statement made was
36 false or misleading in any material respect, upon
37 conviction, is guilty of a class "D" felony.
38 Otherwise, a person who violates a rule adopted or
39 order issued under this chapter is, upon conviction,
40 guilty of an aggravated misdemeanor. Each of the acts
41 specified constitutes a separate offense and a
42 prosecution or conviction for any one of such offenses
43 does not bar prosecution or conviction for any other
44 offense.

45 2. A business opportunity contract is subject to
46 section 714.16.

47 3. A seller who willfully uses any device or
48 scheme to defraud a person in connection with the an
49 advertisement, offer to sell or lease, sale, or lease
50 of a business opportunity, or who willfully violates

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1 any other provision of this chapter, except as
2 provided in subsections 1 and 3, subsection 1 is, upon
3 conviction, guilty of a fraudulent practice as
4 provided in chapter 714.

5 ~~3. a seller who violates a rule or order adopted~~
6 ~~or issued under this chapter is, upon conviction,~~
7 ~~guilty of an aggravated misdemeanor.~~

8 ~~4. The administrator may refer available evidence~~
9 ~~concerning a possible violation of this chapter or of~~
10 ~~a rule or order issued under this chapter to the~~
11 ~~attorney general. The attorney general, with or~~
12 ~~without such a referral, may institute appropriate~~
13 ~~criminal proceedings or may direct the case to the~~
14 ~~appropriate county attorney to institute appropriate~~
15 ~~criminal proceedings.~~

16 Sec. 28. Section 523B.12, subsections 1, 2, and 3,
17 Code 2003, are amended to read as follows:

18 1. MISLEADING FILINGS STATEMENTS. ~~It is unlawful~~
19 ~~to~~ A person shall not make or cause to be made, a
20 misleading statement in a disclosure document filed
21 with the administrator required pursuant to section
22 523B.2 or in a proceeding under this chapter, a
23 statement which is, at, The statement shall be deemed
24 to be misleading if any of the following applies:

25 a. At the time and in the light of the
26 circumstances under which it is made, the statement is
27 false or misleading in a material respect or, in
28 connection with such a statement, to omit to state,

29 b. An omission of a material fact is necessary in
30 order to make the statement made, in the light of the
31 circumstances under which it is made, not misleading.

32 2. UNLAWFUL REPRESENTATIONS. ~~The fact that an~~
33 ~~application for registration has been filed or the~~
34 ~~fact that a business opportunity is effectively~~
35 ~~registered does not constitute a finding by the~~
36 ~~administrator that a document filed under this chapter~~
37 ~~is true, complete, and not misleading. The fact that~~
38 ~~an application for registration has been filed, that a~~
39 ~~business opportunity is effectively registered, or~~
40 ~~that an exemption or exception is available for a~~
41 ~~business opportunity does not mean that the~~
42 ~~administrator has passed in any way upon the merits or~~
43 ~~qualifications of, or recommended or given approval~~
44 ~~to, a person or business opportunity. It is unlawful~~
45 ~~to make, or cause to be made, to a purchaser, any~~
46 ~~representation inconsistent with this subsection.~~

47 3. 2. ADVERTISING. ~~It is unlawful for a~~ A seller
48 shall not, in connection with the offer or sale of a
49 business opportunity in this state, ~~to publish,~~
50 circulate, or use advertising which contains an untrue

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statement of a material fact or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading.

Sec. 29. Section 523B.12, subsection 4, unnumbered paragraph 1, Code 2003, are amended to read as follows:

~~It is unlawful for a business opportunity~~ A seller ~~to of a business opportunity shall not~~ do any of the following:

Sec. 30. Section 523B.12, subsection 4, paragraphs d, f, h, and j, Code 2003, are amended to read as follows:

d. Misrepresent the training and management assistance available to the ~~business opportunity~~ purchaser.

f. Misrepresent, by failure to disclose or otherwise, the termination, transfer, or renewal provision of a business opportunity ~~agreement~~ contract.

h. Assign a so-called exclusive territory encompassing the same area to more than one ~~business opportunity~~ purchaser.

j. Provide merchandise, machines, or displays of a brand or kind substantially different from or inferior to those promised by the ~~business opportunity~~ seller.

Sec. 31. Section 523B.13, subsections 5 and 6, Code 2003, are amended by striking the subsections.

Sec. 32. Section 523B.5, Code 2003, is repealed.

DIVISION III

RETIREMENT FACILITIES

Sec. 33. Section 523D.1, subsection 1, Code 2003, is amended by striking the subsection.

Sec. 34. Section 523D.3, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

At the time of, or prior to, the execution of a contract to provide continuing care or senior adult congregate living services, or at the time of, or prior to the provider's acceptance of part or all of the entrance fee by or on behalf of a prospective resident, whichever occurs first, the provider shall deliver a an initial disclosure statement to the person, and to the person's personal representative if one is appointed, with whom the contract is to be entered into. Unless incorporated by reference, in whole or in part, the initial disclosure statement shall not constitute part of the contract between the resident and provider. The initial disclosure statement shall contain all of the following information unless the information is in the contract,

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1 a copy of which must be attached to the statement:
2 Sec. 35. Section 523D.3, subsection 1, paragraph
3 c, subparagraph (4), Code 2003, is amended to read as
4 follows:

5 (4) A description of any matter in which the
6 person is subject to a currently effective injunctive
7 or restrictive order of a court, or a description of
8 any matter within the past five years where the person
9 has had a state or federal license or permit suspended
10 or revoked as a result of an action brought by a
11 governmental agency of this or any state ~~or the~~
12 ~~division of insurance~~, arising out of or relating to
13 business activity or health care, including, without
14 limitation, actions affecting a license to operate a
15 foster care facility, health care facility, retirement
16 home, home for the aged, or facility licensed under
17 this chapter or a similar law of another state.

18 Sec. 36. Section 523D.3, subsection 1, paragraph
19 k, Code 2003, is amended to read as follows:

20 k. Other material information concerning the
21 facility or the provider ~~required by the division of~~
22 ~~insurance or which the provider wishes to include.~~

23 Sec. 37. Section 523D.3, subsection 2, unnumbered
24 paragraph 1, Code 2003, is amended to read as follows:

25 The provider shall ~~file with the insurance~~
26 ~~division, prepare~~ annually within five months
27 following the end of the provider's fiscal year, an
28 annual disclosure statement which shall contain the
29 information required by this chapter for the initial
30 disclosure statement. The disclosure statement shall
31 be available for review at the facility by a resident,
32 prospective resident, or that person's personal
33 representative. The annual disclosure statement shall
34 also be accompanied by a narrative describing:

35 Sec. 38. Section 523D.3, subsections 3 and 4, Code
36 2003, are amended to read as follows:

37 ~~3. In the event an amendment is filed with the~~
38 ~~division of insurance pursuant to subsection 4, the~~
39 ~~provider shall deliver a copy of the amendment or the~~
40 ~~amended disclosure statement to a prospective resident~~
41 ~~and to a prospective resident's personal~~
42 ~~representative if one is appointed prior to the~~
43 ~~provider's acceptance of part or all of the entrance~~
44 ~~fee or the execution of the continuing care or senior~~
45 ~~congregate living services contract by the prospective~~
46 ~~resident.~~

47 ~~4. 3. a.~~ In addition to filing the annual
48 disclosure statement, the provider may amend its
49 currently filed disclosure statement at any other time
50 if, in the opinion of the provider, an amendment is

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1 necessary to prevent the disclosure statement and
2 annual disclosure statement from containing any
3 material misstatement of fact or omission to state a
4 material fact required to be included in the
5 statement. The amendment or amended disclosure
6 statement shall be filed with the division of
7 insurance before the statement is delivered to a
8 resident or prospective resident and a personal
9 representative of a resident or prospective resident
10 and is subject to all the requirements, including
11 those as to content and delivery, of this chapter.

12 b. If an amendment to an initial disclosure
13 statement is prepared, the provider shall deliver a
14 copy of the amendment or the amended disclosure
15 statement to a prospective resident or to a
16 prospective resident's personal representative if one
17 is appointed prior to the provider's acceptance of
18 part or all of the entrance fee or the execution of
19 the continuing care or senior congregate living
20 services contract by the prospective resident. If an
21 amendment to an annual disclosure statement is
22 prepared, the provider shall make a copy of the
23 amendment or the amended disclosure statement for
24 review at the facility to a prospective resident, a
25 resident, or a personal representative of the
26 prospective resident or resident.

27 Sec. 39. Section 523D.4, subsection 2, Code 2003,
28 is amended to read as follows:

29 2. A provider shall not file with the division of
30 insurance or make, publish, disseminate, circulate, or
31 deliver to any person or place before the public, or
32 cause, directly or indirectly, to be made, published,
33 disseminated, circulated, or delivered to any person
34 or placed before the public, a financial statement
35 which does not meet generally accepted accounting
36 principles.

37 Sec. 40. Section 523D.5, subsections 1 and 2, Code
38 2003, are amended by striking the subsections.

39 Sec. 41. Section 523D.5, subsections 3 and 4, Code
40 2003, are amended to read as follows:

41 3. CONSTRUCTION. New construction shall not begin
42 until the filing required by this section has been
43 made and at least fifty percent of the proposed number
44 of independent living units in the initial stage or
45 phase have been reserved pursuant to executed
46 contracts and at least ten percent of the entrance
47 fees required by those contracts are held in escrow
48 pursuant to this chapter. However, the requirements
49 of this subsection may be waived by the commissioner
50 by rule or order upon a showing of good cause.

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1 disregarded if the provider has done any of the
2 following:

3 For purposes of this subsection, "good cause"
4 includes, but is not limited to, evidence of the
5 following:

6 a. Secured financing adequate in an amount and
7 term to complete the project ~~described in the filing~~
8 ~~required by this section.~~

9 b. ~~Cash~~ Provided cash reserves adequate in an
10 amount to operate the facility for twenty-four months
11 based upon reasonable projections of income and
12 expenses.

13 c. ~~Creation of~~ Created an escrow account in which
14 a resident's entrance fee or purchase price will be
15 deposited, if the terms of the escrow agreement
16 provide reasonable protection from loss until at least
17 fifty percent of the proposed number of independent
18 living units in the initial stage or phase have been
19 reserved.

20 4. ESCROW REQUIREMENTS. Unless ~~proof has been~~
21 ~~submitted to the commissioner that the~~ conditions for
22 the release of escrowed funds set forth in this
23 section have already been met, ~~the a~~ provider shall
24 establish an interest-bearing escrow account at a
25 state or federally regulated financial institution
26 located within this state to receive any deposits or
27 entrance fees or portions of deposits or fees for a
28 living unit which has not been previously occupied by
29 a resident for which an entry fee arrangement is used.
30 The escrow account agreement shall be entered into
31 between the financial institution and the provider
32 with the financial institution as the escrow agent and
33 as a fiduciary for the resident or prospective
34 resident. The agreement shall state that the purpose
35 of the escrow account is to protect the resident or
36 prospective resident and that the funds deposited
37 shall be kept and maintained in an account separate
38 and apart from the provider's business accounts.

39 Sec. 42. Section 523D.5, subsection 5, paragraph
40 c, unnumbered paragraph 1, Code 2003, is amended to
41 read as follows:

42 Except as provided by paragraphs "a" and "b",
43 amounts held in escrow shall be released only upon
44 ~~approval of the commissioner. The commissioner shall~~
45 ~~approve the release of funds only upon~~ a determination
46 that at least one of the following conditions has been
47 satisfied:

48 Sec. 43. Section 523D.6, subsection 1, unnumbered
49 paragraph 1, Code 2003, is amended to read as follows:

50 ~~In addition to any other provisions prescribed by~~

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1 ~~rules adopted under this chapter, each~~ A contract
2 providing for continuing care or senior adult
3 congregate living services by a provider shall be
4 written in nontechnical language easily understood by
5 a lay person and shall include all of the following:
6 Sec. 44. Section 523D.7, subsection 3, Code 2003,
7 is amended to read as follows:

8 3. A person shall not file or maintain an action
9 under this section if the person, before filing the
10 action, received an offer to refund, payable upon
11 acceptance, all amounts paid the provider, facility,
12 or person violating this chapter, together with
13 interest from the date of payment, less the reasonable
14 value of care and lodging provided prior to receipt of
15 the offer, and the person failed to accept the offer
16 within thirty days of its receipt. ~~At the time a~~
17 ~~provider makes a written offer of refund, the provider~~
18 ~~shall file a copy with the division of insurance.~~ The
19 refund offer shall refer to the provisions of this
20 section.

21 Sec. 45. Section 523D.7, subsection 5, Code 2003,
22 is amended by striking the subsection.

23 Sec. 46. Section 523D.8, subsection 1, Code 2003,
24 is amended to read as follows:

25 1. A person who willfully and knowingly violates a
26 provision of this chapter ~~or a rule adopted or order~~
27 ~~entered pursuant to this chapter~~, upon conviction, is
28 guilty of an aggravated misdemeanor.

29 Sec. 47. **NEW SECTION.** 523D.11 CONSTRUCTION WITH
30 OTHER LAW.

31 This chapter does not limit a person's liability
32 under another statute or at common law. The
33 provisions of this chapter as it existed prior to the
34 effective date of this Act shall continue to govern
35 all actions based on facts occurring prior to the
36 effective date of this Act.

37 Sec. 48. Section 523D.12, subsection 1, Code 2003,
38 is amended by striking the subsection.

39 Sec. 49. Section 523D.12, subsection 2, unnumbered
40 paragraph 1, Code 2003, is amended to read as follows:

41 The ~~commissioner or the attorney general~~ may, for
42 the purpose of discovering or investigating violations
43 of this chapter ~~or rules adopted pursuant to this~~
44 ~~chapter~~ do any or all of the following:

45 Sec. 50. Section 523D.12, subsection 2, paragraphs
46 a and c, Code 2003, are amended to read as follows:

47 a. Investigate the business and examine the books,
48 accounts, records, and files used by a provider. With
49 the exception of an examination involving new
50 construction, an examination involving a complaint by

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1 a resident or a prospective resident or where good
2 cause exists for the lack of prior notice, as
3 determined by the ~~commissioner~~ attorney general, the
4 ~~division of insurance~~ attorney general shall provide
5 at least seven days' prior notice to the facility
6 before conducting an on-site examination.
7 c. Apply to the district court for issuance of an
8 order requiring a person's appearance before the
9 ~~commissioner or~~ attorney general. The person may also
10 be required to produce documentary evidence germane to
11 the subject of the investigation. Failure to obey a
12 court order under this subsection constitutes contempt
13 of court.

14 Sec. 51. Section 523D.14, Code 2003, is amended to
15 read as follows:

16 523D.14 INJUNCTIONS.

17 The attorney general may petition the district
18 court in any county of the state for an injunction to
19 restrain a person subject to this chapter and any
20 agents, employees, or associates of the person from
21 engaging in conduct or practices in violation of this
22 chapter ~~or rules adopted pursuant to this chapter~~. In
23 a proceeding for an injunction, the attorney general
24 may apply to the court for the issuance of a subpoena
25 to require the appearance of a defendant and the
26 defendant's agents and any documents, books, or
27 records germane to the hearing upon the petition for
28 an injunction. Upon proof of any of the violations
29 described in the petition for injunction, the court
30 may grant the injunction.

31 Sec. 52. Sections 523D.2, 523D.9, 523D.10, and
32 523D.13, Code 2003, are repealed."

33 2. Title page, line 1, by striking the word
34 "insurance," and inserting the following: "regulated
35 industries, including the Iowa uniform securities
36 Act,".

37 3. By renumbering, redesignating, and correcting
38 internal references as necessary.

HOFFMAN of Crawford

H-1175

1 Amend House File 587 as follows:

2 1. Page 1, line 34, by striking the words "by a"
3 and inserting the following: "by an understandable
4 and clearly visible".

5 2. Page 2, line 3, by inserting after the word
6 "instruct." the following: "When reasonable minds may
7 differ as to whether a warning or instruction is

8 understandable and clearly visible, the issues shall
9 be decided by the trier of fact."

10 3. Page 2, by striking lines 11 through 18 and
11 inserting the following: "668.2, shall be compared
12 only if it is shown to be a proximate cause of the
13 enhanced injury."

14 4. By renumbering as necessary.

SWAIM of Davis

H-1177

1 Amend House File 651 as follows:

2 1. Page 1, by inserting before line 1 the
3 following:

4 "Section 1. Section 123.3, Code 2003, is amended
5 by adding the following new subsection:
6 NEW SUBSECTION. 22A. "Native wine" means wine
7 manufactured in this state.

8 Sec. ____ Section 123.3, subsection 30, Code 2003,
9 is amended to read as follows:

10 30. "Retail wine permit" means a class "B" wine
11 permit, class "B" native wine permit, or class "C"
12 native wine permit issued under this chapter.

13 Sec. ____ Section 123.32, subsection 1, Code 2003,
14 is amended to read as follows:

15 1. FILING OF APPLICATION. An application for a
16 class "A", class "B", class "C", or class "E" liquor
17 control license, for a retail beer permit as provided
18 in sections 123.128 and 123.129, or for a class "B",
19 class "B" native, or class "C" native retail wine
20 permit as provided in section ~~123.176~~ 123.178,
21 123.178A, or 123.178B, accompanied by the necessary
22 fee and bond, if required, shall be filed with the
23 appropriate city council if the premises for which the
24 license or permit is sought are located within the
25 corporate limits of a city, or with the board of
26 supervisors if the premises for which the license or
27 permit is sought are located outside the corporate
28 limits of a city. An application for a class "D"
29 liquor control license and for a class "A" beer or
30 class "A" wine permit, accompanied by the necessary
31 fee and bond, if required, shall be filed with the
32 division, which shall proceed in the same manner as in
33 the case of an application approved by local
34 authorities.

35 Sec. ____ Section 123.56, subsection 1, Code 2003,
36 is amended to read as follows:

37 1. Subject to rules of the division, manufacturers
38 of native wines from grapes, cherries, other fruits or
39 other fruit juices, vegetables, vegetable juices,
40 dandelions, clover, honey, or any combination of these

41 ingredients, holding a class "A" wine permit as
42 required by this chapter, may sell, keep, or offer for
43 sale and deliver the wine. Sales may be made at
44 retail for off-premises consumption when sold on the
45 premises of the manufacturer, or in a retail
46 establishment operated by the manufacturer ~~which is no~~
47 ~~closer than five miles from an existing native winery.~~
48 Sales may also be made to class "A" or retail wine
49 permittees or liquor control licensees as authorized
50 by the class "A" wine permit.

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1 Sec. ____ Section 123.56, Code 2003, is amended by
2 adding the following new subsection:
3 NEW SUBSECTION. 6. Notwithstanding any other
4 provision of this chapter, a person engaged in the
5 business of manufacturing native wine may sell native
6 wine at retail for consumption on the premises of the
7 manufacturing facility by applying for a class "C"
8 native wine permit as provided in section 123.178B. A
9 manufacturer of native wine may be granted not more
10 than one class "C" native wine permit.
11 Sec. ____ Section 123.173, Code 2003, is amended
12 to read as follows:
13 123.173 WINE PERMITS – CLASSES – AUTHORITY.
14 Permits exclusively for the sale or manufacture and
15 sale of wine shall be divided into ~~two~~ four classes,
16 and shall be known as class "A", ~~or "B", "B" native,~~
17 ~~or "C" native~~ wine permits.
18 A class "A" wine permit allows the holder to
19 manufacture and sell, or sell at wholesale, in this
20 state, wine as defined in section 123.3, subsection
21 37. The holder of a class "A" wine permit may
22 manufacture in this state wine having an alcoholic
23 content greater than seventeen percent by weight for
24 shipment outside this state. All class "A" premises
25 shall be located within the state. A class "B" ~~or~~
26 class "B" native wine permit allows the holder to sell
27 wine at retail for consumption off the premises. A
28 class "B" ~~or class "B" native~~ wine permittee who also
29 holds a class "E" liquor control license may sell wine
30 to class "A", class "B", and class "C" liquor control
31 licensees for resale for consumption on the premises.
32 ~~A class "B" wine permittee who also holds a class "E"~~
33 ~~liquor control license may sell wine to class "A",~~
34 ~~class "B", and class "C" liquor control licensees~~ Such
35 wine sales shall be in quantities of less than one
36 case of any wine brand but not more than one such sale
37 shall be made to the same liquor control licensee in a
38 twenty-four hour period. A class "B" ~~or class "B"~~
39 native wine permittee shall not sell wine to other

40 class "B", or class "B" native wine permittees. A
41 class "C" native wine permit allows the holder to sell
42 wine for consumption on or off the premises.
43 A class "A" wine permittee shall be required to
44 deliver wine to a ~~class "B"~~ retail wine permittee, and
45 a ~~class "B"~~ retail wine permittee shall be required to
46 accept delivery of wine from a class "A" wine
47 permittee, only at the licensed premises of the ~~class~~
48 "B" retail wine permittee. Except as specifically
49 permitted by the division upon good cause shown,
50 delivery or transfer of wine from an unlicensed

Page 3

1 premises to a licensed "B" retail wine permittee's
2 premises, or from one licensed "B" retail wine
3 permittee's premises to another licensed "B" retail
4 wine permittee's premises, even if there is common
5 ownership of all of the premises by one ~~class "B"~~
6 retail permittee, is prohibited. A class "B" or class
7 "B" native wine permittee who also holds a class "E"
8 liquor control license shall keep and maintain records
9 for each sale of wine to liquor control licensees
10 showing the name of the establishment to which wine
11 was sold, the date of sale, and the brands and number
12 of bottles sold to the liquor control licensee.
13 When a class "B" or class "B" native wine permittee
14 who also holds a class "E" liquor control license
15 sells wine to a class "A", class "B", or class "C"
16 liquor control licensee, the liquor control licensee
17 shall sign a report attesting to the purchase. The
18 class "B" or class "B" native wine permittee who also
19 holds a class "E" liquor control license shall submit
20 to the division, on forms supplied by the division,
21 not later than the tenth of each month a report
22 stating each sale of wine to class "A", class "B", and
23 class "C" liquor control licensees during the
24 preceding month, the date of each sale, and the brands
25 and numbers of bottles with each sale. A class "B"
26 permittee who holds a class "E" liquor control license
27 may sell to class "A", class "B", or class "C" liquor
28 control licensees only if the licensed premises of the
29 liquor control licensee is located within the
30 geographic territory of the class "A" wine permittee
31 from which the wine was originally purchased by the
32 class "B" wine permittee.
33 Sec. ___. Section 123.174, Code 2003, is amended
34 to read as follows:
35 123.174 ISSUANCE OF WINE PERMITS.
36 The administrator shall issue ~~class "A" and "B"~~
37 wine permits as provided in this chapter, and may
38 suspend or revoke a wine permit for cause as provided

39 in this chapter.

40 Sec. ____ Section 123.175, Code 2003, is amended
41 to read as follows:

42 123.175 ~~CLASS "A"~~ APPLICATION CONTENTS.

43 Except as otherwise provided in this chapter, a
44 class "A" or retail wine permit shall be issued to a
45 person who complies with all of the following:

46 1. Submits a written application for the permit
47 and states on the application under oath:
48 a. The name and place of residence of the
49 applicant and the length of time the applicant has
50 lived at the place of residence.

Page 4

1 b. That the applicant is a citizen of the state of
2 Iowa, or if a corporation, that the applicant is
3 authorized to do business in Iowa.

4 c. The place of birth of the applicant, and if the
5 applicant is a naturalized citizen, the time and place
6 of naturalization, or if a corporation, the state of
7 incorporation.

8 d. The location of the premises where the
9 applicant intends to use the permit.

10 e. The name of the owner of the premises, and if
11 that owner is not the applicant, that the applicant is
12 the actual lessee of the premises.

13 2. Establishes all of the following:

14 a. That the applicant meets the test of good moral
15 character as provided in section 123.3, subsection 26.

16 b. That the premises where the applicant intends
17 to use the permit conform to all applicable laws,
18 health regulations, and fire regulations, and
19 constitute a safe and proper place or building.

20 3. Submits, in the case of a class "A" wine
21 permit, a bond in the amount of five thousand dollars
22 in the form prescribed and furnished by the division
23 with good and sufficient sureties to be approved by
24 the division conditioned upon compliance with this
25 chapter.

26 4. Consents to inspection as required in section
27 123.30, subsection 1.

28 Sec. ____ Section 123.177, subsection 1, Code
29 2003, is amended to read as follows:

30 1. A person holding a class "A" wine permit may
31 manufacture and sell, or sell at wholesale, wine for
32 consumption off the premises. Sales within the state
33 may be made only to persons holding a class "A" or "B"
34 wine permit and to persons holding a class "A", "B",
35 "C" or "D" retail liquor control license. However, if
36 the person holding the class "A" permit is a
37 manufacturer of native wine, the person may sell only

38 native wine to a person holding a retail wine permit
39 or a retail liquor control license. A class "A" wine
40 permittee having more than one place of business shall
41 obtain a separate permit for each place of business
42 where wine is to be stored, warehoused, or sold.
43 Sec.____. NEW SECTION. 123.178A AUTHORITY UNDER
44 CLASS "B" NATIVE PERMIT.
45 1. A person holding a class "B" native wine permit
46 may sell native wine only at retail for consumption
47 off the premises. Native wine shall be sold for
48 consumption off the premises in original containers
49 only.
50 2. A class "B" native wine permittee having more

Page 5

1 than one place of business where wine is sold shall
2 obtain a separate permit for each place of business.
3 3. A person holding a class "B" native wine permit
4 may purchase wine for resale only from a native winery
5 holding a class "A" wine permit.
6 Sec.____. NEW SECTION. 123.178B AUTHORITY UNDER
7 CLASS "C" NATIVE PERMIT.
8 1. A person holding a class "C" native wine permit
9 may sell native wine only at retail for consumption on
10 or off the premises.
11 2. A class "C" native wine permittee having more
12 than one place of business where wine is sold and
13 served shall obtain a separate permit for each place
14 of business.
15 3. A person holding a class "C" native wine permit
16 may purchase wine for resale only from a native winery
17 holding a class "A" wine permit.
18 Sec.____. Section 123.179, Code 2003, is amended
19 by adding the following new subsections:
20 NEW SUBSECTION. 3. The annual permit fee for a
21 class "B" native wine permit is twenty-five dollars.
22 NEW SUBSECTION. 4. The annual permit fee for a
23 class "C" native wine permit is twenty-five dollars."
24 2. Page 1, by inserting after line 12 the
25 following:
26 "Sec.____. Section 123.176, Code 2003, is
27 repealed.
28 Sec.____. LEGISLATION TO BE SUBMITTED. The
29 alcoholic beverages division of the department of
30 commerce shall submit proposed legislation during the
31 2004 Regular Session of the Eightieth General Assembly
32 which shall make additional conforming changes to
33 chapter 123, and any other impacted provisions of the
34 Code of Iowa, to fully implement the provisions of
35 this Act."
36 3. Page 1, by striking line 16, and inserting the

37 following:

38 "2. The section of this Act amending section
39 123.183 and relating to the deposit of revenue
40 collected from the wine gallonage tax in the grape and
41 wine development fund is retroactively applicable to
42 July 1, 2002."

43 4. Title page, line 1, by inserting after the
44 word "Act" the following: "relating to wine by
45 providing for native wine permits,".

46 5. Title page, line 2, by inserting after the
47 word "development," the following: "providing for
48 fees,".

49 6. By renumbering, redesignating, and correcting
50 internal references as necessary.

MANTERNACH of Jones

H-1178

1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 19, by striking lines 30 through 33.

HOGG of Linn

H-1179

1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 7, by striking lines 23 through 31, and
4 inserting the following: "proposed to be included in
5 the consolidation. ~~The consolidation charter shall be~~
6 ~~effective in regard to a city government only if a~~
7 ~~majority of the voters of the city voting on the~~
8 ~~question voted for participation in the consolidation~~
9 ~~charter.~~ A city named on the ballot shall consolidate
10 with the county if a majority of the votes cast in the
11 city on the proposal approves the proposal. If one or
12 more cities named on the ballot approves the proposal,
13 the charter is adopted if both a majority of the votes
14 cast in the unincorporated area of the county approves
15 the proposal and a majority of the votes cast in the
16 entire county approves the proposal."

17 2. Page 17, by striking lines 8 through 13, and
18 inserting the following: "~~participation in the~~
19 ~~commonwealth charter.~~ A city named on the ballot
20 shall be united with the county in a community
21 commonwealth if a majority of the votes cast in the
22 city on the proposal approves the proposal. If one or
23 more cities named on the ballot approves the proposal,
24 the charter is adopted if both a majority of the votes
25 cast in the unincorporated area of the county approves

26 the proposal and a majority of the votes cast in the
 27 entire county approves the proposal."

VAN ENGELENHOVEN of Marion
 GREINER of Washington
 ARNOLD of Lucas
 HAHN of Muscatine

BAUDLER of Adair
 HOFFMAN of Crawford
 EICHHORN of Hamilton

H-1181

1 Amend Senate File 390, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. By striking page 4, line 30 through page 5,
 4 line 34.
 5 2. By renumbering as necessary.

VAN ENGELENHOVEN of Marion

H-1182

1 Amend Senate File 390, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 7, by striking lines 23 through 31, and
 4 inserting the following: "proposed to be included in
 5 the consolidation. ~~The consolidation charter shall be~~
 6 ~~effective in regard to a city government only if a~~
 7 ~~majority of the voters of the city voting on the~~
 8 ~~question voted for participation in the consolidation~~
 9 ~~charter. A city named on the ballot shall consolidate~~
 10 with the county only if a majority of the votes cast
 11 in the city on the proposal approves the proposal. If
 12 one or more cities named on the ballot approves the
 13 proposal, the charter is adopted if both a majority of
 14 the votes cast in the unincorporated area of the
 15 county approves the proposal and a majority of the
 16 votes cast in the entire county approves the
 17 proposal."
 18 2. Page 17, by striking lines 8 through 13, and
 19 inserting the following: "~~participation in the~~
 20 ~~commonwealth charter. A city named on the ballot~~
 21 ~~shall be united with the county in a community~~
 22 ~~commonwealth only if a majority of the votes cast in~~
 23 ~~the city on the proposal approves the proposal. If~~
 24 ~~one or more cities named on the ballot approves the~~
 25 ~~proposal, the charter is adopted if both a majority of~~
 26 ~~the votes cast in the unincorporated area of the~~
 27 ~~county approves the proposal and a majority of the~~
 28 ~~votes cast in the entire county approves the~~
 29 ~~proposal."~~

HOGG of Linn

H-1186

- 1 Amend Senate File 185, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 1, by inserting after line 14 the
- 4 following:
- 5 "Sec. __. Section 708.2, Code 2003, is amended by
- 6 adding the following new subsection:
- 7 NEW SUBSECTION. 4A. A person who commits an
- 8 assault, as defined in section 708.1, and who uses any
- 9 object to penetrate the genitalia or anus of another
- 10 person, is guilty of a class "C" felony."
- 11 2. Title page, by striking line 3 and inserting
- 12 the following: "person, assault, and harassment, and
- 13 providing a penalty."
- 14 3. By renumbering as necessary.

Committee on Public Safety

H-1187

- 1 Amend House File 660 as follows:
- 2 1. Page 1, line 4, by striking the word "eight",
- 3 and inserting the following: "ten".
- 4 2. Page 1, by inserting after line 22, the
- 5 following:
- 6 "h. One member appointed by the largest statewide
- 7 organization serving as a certified employee
- 8 organization under chapter 20 for public employees.
- 9 i. One member appointed by the largest statewide
- 10 organization serving as a certified employee
- 11 organization under chapter 20 for teachers."
- 12 3. By renumbering as necessary.

LENSING of Johnson
RAECKER of Polk

H-1189

- 1 Amend House File 594 as follows:
- 2 1. Page 2, line 12, by inserting after the words
- 3 "to the fund." the following: "Notwithstanding
- 4 section 8.33, moneys remaining in the fund at the end
- 5 of a fiscal year shall not revert to the general fund
- 6 of the state but shall be appropriated to the
- 7 department of human services for the purpose of
- 8 increasing registered child care inspections."

WISE of Lee
PETERSEN of Polk
DANDEKAR of Linn
REASONER of Union

H-1191

1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 7, by striking lines 19 through 31, and
4 inserting the following:

5 "4. ~~If an alternative form of government for a~~
6 ~~consolidated unit of local government is proposed,~~
7 ~~approval of the consolidation charter shall be a~~
8 ~~separate ballot issue from approval of the alternative~~
9 ~~form of government in those cities proposed to be~~
10 ~~included in the consolidation. The consolidation~~
11 ~~charter shall be effective in regard to a city~~
12 ~~government only if a majority of the voters of the~~
13 ~~city voting on the question voted for participation in~~
14 ~~the consolidation charter. The consolidation charter~~
15 is adopted only if all of the following apply:

16 a. A majority of the votes cast in the
17 unincorporated area of the county approves the
18 proposal.

19 b. A majority of the votes cast in the entire
20 county approves the proposal.

21 c. A majority of the votes cast in at least one
22 city named on the ballot approves the proposal."

23 2. Page 17, by striking lines 8 through 13, and
24 inserting the following: "~~participation in the~~
25 ~~commonwealth charter. The community commonwealth~~
26 charter is adopted only if all of the following apply:

27 a. A majority of the votes cast in the
28 unincorporated area of the county approves the
29 proposal.

30 b. A majority of the votes cast in the entire
31 county approves the proposal.

32 c. A majority of the votes cast in at least one
33 city named on the ballot approves the proposal."

VAN ENGELNHOVEN of Marion
TYMESON of Madison
ARNOLD of Lucas
RASMUSSEN of Buchanan
FALLON of Polk
HAHN of Muscatine
DOLECHECK of Ringgold

EICHHORN of Hamilton
HUSEMAN of Cherokee
HOFFMAN of Crawford
DRAKE of Pottawattamie
LALK of Fayette
BAUDLER of Adair
GREINER of Washington

H-1200

1 Amend House File 573 as follows:

2 1. Page 2, by inserting after line 28 the
3 following:

4 "Sec. ____ JUDICIAL DISTRICT REDISTRICTING –
5 INTERIM STUDY. The legislative council is requested
6 to authorize a judicial district redistricting interim

7 study committee to review the current organization of
8 the judicial branch into judicial districts. The
9 committee in making recommendations on redistricting
10 shall consider efficiencies and costs savings
11 achieved, access to the courts, and overall judicial
12 administration. The study committee shall consist of
13 two members of the general assembly appointed by the
14 legislative council, a representative of the judicial
15 branch, a representative of the Iowa state bar
16 association, a representative of the county attorneys
17 association, and a clerk of the district court. The
18 committee shall submit a report of findings and
19 recommendations to the governor and the general
20 assembly on or before December 15, 2003. Any
21 recommendations of the committee shall not include a
22 voting procedure that prohibits amendments. The
23 recommendations may include that the current
24 organization of the judicial branch into judicial
25 districts is sufficient."
26 2. By renumbering as necessary.

KUHN of Floyd
MERTZ of Kossuth

H-1201

1 Amend House File 573 as follows:
2 1. By striking everything after the enacting
3 clause and inserting the following:
4 "Section 1. JUDICIAL REDISTRICTING – COMMISSION.
5 1. The supreme court shall form a commission to
6 develop a plan to reorganize the judicial districts
7 and judicial election districts. The commission shall
8 be comprised of eleven members selected in the
9 following manner:
10 a. Two members of the general assembly selected by
11 the legislative council,
12 b. Two members of the judicial branch, one member
13 selected by the supreme court from the state court
14 administrator's office and one member selected by the
15 eight chief judges from the district court
16 administration.
17 c. Two clerks of the district court, one clerk
18 from a rural county and one clerk from an urban
19 county. The clerks of the district court shall be
20 selected by a majority vote of the clerks of the
21 district court in the state.
22 d. One attorney licensed in Iowa selected by the
23 Iowa state bar association.
24 e. Two members of the general public, one member
25 selected by the governor and one member selected by
26 the legislative council.

27 f. One district judge selected by the Iowa judges
28 association.
29 g. One member of the judicial district department
30 of correctional services selected by a majority vote
31 of the directors of the judicial district department.
32 2. The commission shall issue a report to the
33 general assembly by December 15, 2003, containing its
34 findings and recommended plan. The plan shall include
35 the reasons for developing the plan and describing in
36 detail the process used in its development. The
37 recommendations may include that the current
38 organization of the judicial branch into judicial
39 districts is sufficient. Any recommendations of the
40 commission shall not include a voting procedure that
41 prohibits amendments."
42 2. Title page, line 1, by striking the words
43 "making changes to the procedures".

KUHN of Floyd
MERTZ of Kossuth

H-1203

1 Amend the amendment, H-1191, to Senate File 390, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, by inserting after line 33, the
5 following:
6 "____. Page 21, by inserting after line 23, the
7 following:
8 "Sec.____. Section 331.303, Code 2003, is amended
9 by adding the following new subsection:
10 **NEW SUBSECTION. 8A.** Upon petition of twenty
11 percent of the eligible electors residing in the area
12 outside the city limits over which the zoning
13 jurisdiction is extended, approve or disapprove
14 pursuant to section 414.23 a city zoning ordinance or
15 regulation or an amendment to such an ordinance or
16 regulation affecting such area."
17 ____ Page 22, by inserting after line 2, the
18 following:
19 "Sec.____. Section 414.23, unnumbered paragraph 3,
20 Code 2003, is amended to read as follows:
21 Property owners affected by such zoning regulations
22 shall have the same rights of hearing, protest, and
23 appeal as those within the municipality exercising
24 this power. However, upon petition of twenty percent
25 of the eligible electors residing in the area outside
26 the city limits over which the zoning jurisdiction is
27 extended, the city zoning ordinance or regulation, or
28 amendment to such an ordinance or regulation, shall
29 not take effect within such area unless the zoning

30 ordinance or regulation, or the amendment to such an
 31 ordinance or regulation, is approved by the board of
 32 supervisors. The petition shall be submitted to the
 33 county auditor. The auditor shall notify the city of
 34 receipt of the petition."

35 _____. Page 22, line 8, by inserting after the word
 36 "Act" the following: "and applies to a city zoning
 37 ordinance or regulation or an amendment to a city
 38 ordinance or regulation affecting an unincorporated
 39 area of a county over which a city has extended its
 40 jurisdiction, which is adopted on or after the
 41 effective date of this Act".

42 _____. Title page, line 10, by inserting after the
 43 word "committees," the following: "authorizing a
 44 county board of supervisors to approve or disapprove
 45 certain city zoning ordinances or regulations,".

46 _____. By renumbering as necessary."

WISE of Lee

H-1204

1 Amend House File 662 as follows:

2 1. Page 13, by striking line 19 and inserting the
 3 following:

4 " \$226,765,874"

5 2. Page 17, by striking line 28 and inserting the
 6 following:

7 " \$179,099,970"

8 3. Page 18, by striking line 29 and inserting the
 9 following:

10 " \$ 80,160,795"

11 4. Page 19, by striking line 12 and inserting the
 12 following:

13 " \$ 7,852,182"

14 5. Page 19, by striking line 18 and inserting the
 15 following:

16 " \$ 4,400,951"

JENKINS of Black Hawk

H-1205

1 Amend House File 587 as follows:

2 1. Page 2, by striking lines 11 through 18, and
 3 inserting the following: "668.2, shall be compared
 4 only if it is shown to be a proximate cause of the
 5 enhanced injury. If such fault was a proximate cause
 6 of the underlying accident, but not the enhanced
 7 injury, the trier of fact may award up to five percent
 8 of the damages attributable to the enhanced injury to
 9 the state department of transportation for safety belt

- 10 and safety harness educational programs established
11 under section 321.445, subsection 2."
12 2. By renumbering as necessary.

HOGG of Linn

H-1206

1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 21, by inserting after line 23, the
4 following:

5 "Sec. ____ Section 331.303, Code 2003, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 8A. Upon petition of twenty
8 percent of the eligible electors residing in the area
9 outside the city limits over which the zoning
10 jurisdiction is extended, approve or disapprove
11 pursuant to section 414.23 a city zoning ordinance or
12 regulation or an amendment to such an ordinance or
13 regulation affecting such area."

14 2. Page 22, by inserting after line 2, the
15 following:

16 "Sec. ____ Section 414.23, unnumbered paragraph 3,
17 Code 2003, is amended to read as follows:

18 Property owners affected by such zoning regulations
19 shall have the same rights of hearing, protest, and
20 appeal as those within the municipality exercising
21 this power. However, upon petition of twenty percent
22 of the eligible electors residing in the area outside
23 the city limits over which the zoning jurisdiction is
24 extended, the city zoning ordinance or regulation, or
25 amendment to such an ordinance or regulation, shall
26 not take effect within such area unless the zoning
27 ordinance or regulation, or the amendment to such an
28 ordinance or regulation, is approved by the board of
29 supervisors. The petition shall be submitted to the
30 county auditor. The auditor shall notify the city of
31 receipt of the petition."

32 3. Page 22, line 8, by inserting after the word
33 "Act" the following: "and applies to a city zoning
34 ordinance or regulation or an amendment to a city
35 ordinance or regulation affecting an unincorporated
36 area of a county over which a city has extended its
37 jurisdiction, which is adopted on or after the
38 effective date of this Act".

39 4. Title page, line 10, by inserting after the
40 word "committees," the following: "authorizing a
41 county board of supervisors to approve or disapprove

- 42 certain city zoning ordinances or regulations,".
 43 5. By renumbering as necessary.

WISE of Lee

H-1207

- 1 Amend House File 662 as follows:
 2 1. Page 22, by inserting after line 23, the
 3 following:
 4 "Sec. ____ Section 261.25, subsection 1, Code
 5 2003, is amended to read as follows:
 6 1. There is appropriated from the general fund of
 7 the state to the commission for each fiscal year the
 8 sum of forty-six million ~~one~~ four hundred seventeen
 9 thousand nine hundred sixty-four dollars for tuition
 10 grants."
 11 2. By renumbering as necessary.

DAVIT of Warren
 WHITEAD of Woodbury
 WHITAKER of Van Buren
 SWAIM of Davis
 WENDT OF Woodbury
 MERTZ of Kossuth
 MILLER of Webster
 BERRY of Black Hawk
 HEDDENS of Story
 GASKILL of Wapello
 GREIMANN of Story
 FREVERT of Palo Alto
 FALLON of Polk
 D. TAYLOR of Linn
 MASCHER of Johnson
 BUKTA of Clinton
 MYERS of Johnson
 MURPHY of Dubuque
 STEVENS of Dickinson
 SMITH of Marshall

FORD of Polk
 OLDSON of Polk
 PETERSEN of Polk
 STRUYK of Pottawattamie
 JOCHUM of Dubuque
 LENSING of Johnson
 HOGG of Linn
 REASONER of Union
 THOMAS of Clayton
 DANDEKAR of Linn
 FOEGE of Linn
 HUNTER of Polk
 SHOULTZ of Black Hawk
 KUHN of Floyd
 CONNORS of Polk
 D. OLSON of Boone
 MCCARTHY of Polk
 LYKAM of Scott
 COHOON of Des Moines
 BELL of Jasper

H-1208

- 1 Amend House File 662 as follows:
 2 1. Page 12, by striking line 20 and inserting the
 3 following:
 4 "..... \$ 1,190,152"
 5 2. Page 13, by striking line 6 and inserting the
 6 following:
 7 "..... \$ 108,673"
 8 3. Page 13, by striking line 10 and inserting the
 9 following:
 10 "..... \$ 79,940"

| | | |
|----|---|----------------|
| 11 | 4. Page 13, by striking line 13 and inserting the | |
| 12 | following: | |
| 13 | " | \$ 161,173" |
| 14 | 5. Page 13, by striking line 19 and inserting the | |
| 15 | following: | |
| 16 | " | \$232,423,103" |
| 17 | 6. Page 13, by striking line 35 and inserting the | |
| 18 | following: | |
| 19 | " | \$ 28,833,519" |
| 20 | 7. Page 15, by striking line 22, and inserting | |
| 21 | the following: | |
| 22 | " | \$ 7,442,887" |
| 23 | 8. Page 15, by striking line 28 and inserting the | |
| 24 | following: | |
| 25 | " | \$ 6,724,505" |
| 26 | 9. Page 16, by striking line 2 and inserting the | |
| 27 | following: | |
| 28 | " | \$ 2,808,191" |
| 29 | 10. Page 16, by striking line 8 and inserting the | |
| 30 | following: | |
| 31 | " | \$ 4,018,388" |
| 32 | 11. Page 16, by striking line 16 and inserting | |
| 33 | the following: | |
| 34 | " | \$ 2,193,798" |
| 35 | 12. Page 16, by striking line 25 and inserting | |
| 36 | the following: | |
| 37 | " | \$ 685,914" |
| 38 | 13. Page 16, by striking line 30 and inserting | |
| 39 | the following: | |
| 40 | " | \$ 188,886" |
| 41 | 14. Page 17, by striking line 1 and inserting the | |
| 42 | following: | |
| 43 | " | \$ 68,553" |
| 44 | 15. Page 17, by striking line 6 and inserting the | |
| 45 | following: | |
| 46 | " | \$ 931,420" |
| 47 | 16. Page 17, by striking line 12 and inserting | |
| 48 | the following: | |
| 49 | " | \$ 803,013" |
| 50 | 17. Page 17, by striking line 21 and inserting | |

Page 2

| | | |
|---|---|----------------|
| 1 | the following: | |
| 2 | " | \$ 47,170" |
| 3 | 18. Page 17, by striking line 28 and inserting | |
| 4 | the following: | |
| 5 | " | \$183,134,521" |
| 6 | 19. Page 18, by striking line 5 and inserting the | |
| 7 | following: | |
| 8 | " | \$ 32,712,448" |
| 9 | 20. Page 18, by striking line 12 and inserting | |

10 the following:

11 "..... \$ 20,815,676"

12 21. Page 18, by striking line 18 and inserting

13 the following:

14 "..... \$ 489,648"

15 22. Page 18, by striking line 29 and inserting

16 the following:

17 "..... \$ 82,228,033"

18 23. Page 19, by striking line 6 and inserting the

19 following:

20 "..... \$ 217,290"

21 24. Page 19, by striking line 12 and inserting

22 the following:

23 "..... \$ 8,107,934"

24 25. Page 19, by striking line 18 and inserting

25 the following:

26 "..... \$ 4,537,514"

27 26. Page 19, by striking line 27 and inserting

28 the following:

29 "..... \$ 15,103"

GREIMANN of Story

WHITEAD of Woodbury

WINCKLER of Scott

SWAIM of Davis

WHITAKER of Van Buren

WENDT of Woodbury

MERTZ of Kossuth

MILLER of Webster

BERRY of Black Hawk

HEDDENS of Story

GASKILL of Wapello

FREVERT of Palo Alto

DAVITT of Warren

FALLON of Polk

D. TAYLOR of Linn

MASCHER of Johnson

BUKTA of Clinton

MURPHY of Dubuque

SMITH of Marshall

FORD of Polk

OLDSON of Polk

MYERS of Johnson

STEVENS of Dickinson

PETERSEN of Polk

JOCHUM of Dubuque

LENSING of Johnson

HOGG of Linn

REASONER of Union

THOMAS of Clayton

DANDEKAR of Linn

FOEGE of Linn

HUNTER of Polk

SHOULTZ of Black Hawk

CONNORS of Polk

D. OLSON of Boone

WISE of Lee

McCARTHY of Polk

LYKAM of Scott

COHOON of Des Moines

BELL of Jasper

H--1209

1 Amend House File 662 as follows:

2 1. Page 11, by striking lines 4 through 21 and

3 inserting the following:

4 "..... \$140,409,007

5 The funds appropriated in this subsection shall be

6 allocated as follows:

7 a. Merged Area I \$ 6,741,255

8 b. Merged Area II \$ 7,918,508

| | | |
|----|---------------------------|---------------|
| 9 | c. Merged Area III | \$ 7,356,114 |
| 10 | d. Merged Area IV | \$ 3,595,513 |
| 11 | e. Merged Area V | \$ 7,522,256 |
| 12 | f. Merged Area VI | \$ 6,969,227 |
| 13 | g. Merged Area VII | \$10,055,669 |
| 14 | h. Merged Area IX | \$12,367,744 |
| 15 | i. Merged Area X | \$19,409,622 |
| 16 | j. Merged Area XI | \$20,539,330 |
| 17 | k. Merged Area XII | \$ 8,116,031 |
| 18 | l. Merged Area XIII | \$ 8,345,729 |
| 19 | m. Merged Area XIV | \$ 3,638,385 |
| 20 | n. Merged Area XV | \$11,448,718 |
| 21 | o. Merged Area XVI | \$ 6,384,906" |

FREVERT of Palo Alto
 WINCKLER of Scott
 WHITEAD of Woodbury
 SWAIM of Davis
 WENDT of Woodbury
 MERTZ of Kossuth
 MILLER of Webster
 BERRY of Black Hawk
 HEDDENS of Story
 GASKILL of Wapello
 WHITAKER of Van Buren
 GREIMANN of Story
 DAVITT of Warren
 FALLON of Polk
 D. TAYLOR of Linn
 MASCHER of Johnson
 BUKTA of Clinton
 MYERS of Johnson
 STEVENS of Dickinson
 MURPHY of Dubuque
 QUIRK of Chickasaw
 BELL of Jasper

SMITH of Marshall
 FORD of Polk
 OLDSOON of Polk
 PETERSEN of Polk
 STRUYK of Pottawattamie
 JOCHUM of Dubuque
 LENSING of Johnson
 HOGG of Linn
 REASONER of Union
 THOMAS of Clayton
 DANDEKAR of Linn
 FOEE of Linn
 HUNTER of Polk
 SHOULTZ of Black Hawk
 KUHN of Floyd
 CONNORS of Polk
 D. OLSON of Boone
 WISE of Lee
 MCCARTHY of Polk
 LYKAM of Scott
 COHOON of Des Moines

H-1215

- 1 Amend House File 598 as follows:
- 2 1. By striking everything after the enacting
- 3 clause and inserting the following:
- 4 "Section 1. Section 124.401, subsection 1,
- 5 paragraph a, unnumbered paragraph 1, Code 2003, is
- 6 amended to read as follows:
- 7 Violation of this subsection, with respect to the
- 8 following controlled substances, counterfeit
- 9 substances, or simulated controlled substances is a
- 10 class "B" felony, and notwithstanding section 902.9,
- 11 subsection 2, shall be punished by confinement for no
- 12 more than ~~fifty~~ thirty years and a fine of not more
- 13 than one million dollars:

14 Sec. 2. Section 124.401, subsection 1, paragraph
15 a, subparagraph (2), unnumbered paragraph 1, Code
16 2003, is amended to read as follows:

17 More than five ~~kilograms~~ hundred grams of a mixture
18 or substance containing a detectable amount of any of
19 the following:

20 Sec. 3. Section 124.401, subsection 1, paragraph
21 a, subparagraph (2), subparagraph subdivisions (d) and
22 (e), Code 2003, are amended by striking the
23 subparagraph subdivisions.

24 Sec. 4. Section 124.401, subsection 1, paragraph
25 a, Code 2003, is amended by adding the following new
26 subparagraph:

27 **NEW SUBPARAGRAPH.** (7) More than five kilograms of
28 a mixture or substance containing a detectable amount
29 of any of the following:

30 (a) Methamphetamine, its salts, isomers, or salts
31 of isomers.

32 (b) Amphetamine, its salts, isomers, and salts of
33 isomers.

34 (c) Any compound, mixture, or preparation which
35 contains any quantity of any of the substances
36 referred to in subparagraph subdivisions (a) and (b).

37 Sec. 5. Section 124.401, subsection 1, paragraph
38 b, subparagraph (2), unnumbered paragraph 1, Code
39 2003, is amended to read as follows:

40 More than five ~~one~~ hundred grams but not more than
41 five ~~kilograms~~ hundred grams of any of the following:

42 Sec. 6. Section 124.401, subsection 1, paragraph
43 b, subparagraph (3), Code 2003, is amended to read as
44 follows:

45 (3) More than five ~~ten~~ grams but not more than
46 fifty grams of a mixture or substance described in
47 subparagraph (2) which contains cocaine base.

48 Sec. 7. Section 124.401, subsection 1, paragraph
49 c, subparagraph (2), unnumbered paragraph 1, Code
50 2003, is amended to read as follows:

Page 2

1 ~~Five One~~ hundred grams or less of any of the
2 following:

3 Sec. 8. Section 124.401, subsection 1, paragraph
4 c, subparagraph (3), Code 2003, is amended to read as
5 follows:

6 (3) ~~Five Ten~~ grams or less of a mixture or
7 substance described in subparagraph (2) which contains
8 cocaine base.

9 Sec. 9. Section 124.413, unnumbered paragraph 1,
10 Code 2003, is amended to read as follows:

11 A person sentenced pursuant to section 124.401,
12 subsection 1, paragraph "a", "b", "e", "e", or "f",

13 shall not be eligible for parole until the person has
14 served a minimum period of confinement of one-third of
15 the maximum indeterminate sentence prescribed by law.

16 Sec. 10. Section 692A.2A, subsection 4, Code 2003,
17 is amended by adding the following new paragraph:

18 **NEW PARAGRAPH.** aa. The person resides at a
19 hospice program as defined in section 135J.1, a
20 hospital as defined in section 135B.1, a health care
21 facility as defined in section 135C.1, a nursing
22 facility as defined in section 135C.1, a residential
23 care facility as defined in section 135C.1, or the
24 Iowa veterans home.

25 Sec. 11. Section 711.3, Code 2003, is amended to
26 read as follows:

27 **711.3 ROBBERY IN THE SECOND DEGREE.**

28 All robbery which is not robbery in the first
29 degree is robbery in the second degree, except as
30 provided in section 711.3A. Robbery in the second
31 degree is a class "C" felony.

32 Sec. 12. **NEW SECTION.** 711.3A ROBBERY IN THE
33 THIRD DEGREE.

34 A person commits robbery in the third degree when,
35 while perpetrating a theft as defined in section
36 714.2, subsection 5, the person commits an assault
37 upon another as defined in section 708.2, subsection
38 5. Robbery in the third degree is an aggravated
39 misdemeanor.

40 Sec. 13. Section 901.5, subsection 13, Code 2003,
41 is amended by striking the subsection.

42 Sec. 14. **NEW SECTION.** 901.5B REOPENING OF
43 SENTENCE FOR PERSONS SERVING SENTENCE SUBJECT TO
44 MAXIMUM ACCUMULATION OF EARNED TIME OF FIFTEEN
45 PERCENT.^o

46 1. A defendant serving a sentence under section
47 902.12 who is sentenced by the court to the custody of
48 the director of the department of corrections, may
49 have the judgment and sentence reopened for
50 resentencing if all of the following apply:

Page 3

1 a. The board of parole and the department of
2 corrections file a joint motion in the sentencing
3 court to reopen the sentence of the defendant.

4 b. The county attorney from the county which
5 prosecuted the defendant is served with a copy of the
6 motion to reopen by certified mail. The motion shall
7 specify that the county attorney has thirty days from
8 the date of service to consult with the victim and
9 file a written objection.

10 c. The court upon hearing grants the motion.

11 2. Notwithstanding section 902.12, the defendant

12 becomes eligible for parole or work release upon the
13 reopening of the sentence.

14 3. The reopening of a sentence under this section
15 does not affect the accrual of earned time under
16 section 903A.2, and earned time shall accrue in the
17 same manner as it accrued prior to the reopening.

18 4. The filing of a motion or the reopening of a
19 sentence under this section shall not constitute
20 grounds to stay any other court proceedings, or to
21 toll or restart the time for filing of any posttrial
22 motion or any appeal.

23 5. The defendant may request appointment of
24 counsel, if eligible under section 815.10, during any
25 proceedings pursuant to this section.

26 Sec. 15. Section 903.4, Code 2003, is amended to
27 read as follows:

28 903.4 PROVIDING PLACE OF CONFINEMENT.

29 All persons sentenced to confinement for a period
30 of one year or less shall be confined in a place to be
31 furnished by the county where the conviction was had
32 unless the person is presently committed to the
33 custody of the director of the Iowa department of
34 corrections, in which case the provisions of section
35 901.8 apply, ~~or unless the person is serving a~~
36 ~~determinate term of confinement of one year pursuant~~
37 ~~to section 902.3A.~~ All persons sentenced to
38 confinement for a period of more than one year shall
39 be committed to the custody of the director of the
40 Iowa department of corrections to be confined in a
41 place to be designated by the director and the cost of
42 the confinement shall be borne by the state. The
43 director may contract with local governmental units
44 for the use of detention or correctional facilities
45 maintained by the units for the confinement of such
46 persons.

47 Sec. 16. Section 907.3, subsection 1, paragraph m,
48 Code 2003, is amended by striking the paragraph.

49 Sec. 17. Section 907.3, subsection 2, paragraph g,
50 Code 2003, is amended by striking the paragraph.

Page 4

1 Sec. 18. Section 907.3, subsection 3, paragraph g,
2 Code 2003, is amended by striking the paragraph.

3 Sec. 19. Section 902.3A, Code 2003, is repealed."

4 2. Title page, by striking lines 1 through 5 and
5 inserting the following: "An Act relating to criminal
6 sentencing and procedure by modifying the penalties
7 for certain offenses related to controlled substances,
8 changing residency restrictions for persons required
9 to register as a sex offender, creating a criminal
10 offense of robbery in the third degree, providing for

- 11 the reopening of a sentence that requires a maximum
12 accumulation of earned time credits of fifteen percent
13 of the total term of confinement, repealing certain
14 determinate sentences, and providing penalties."
15 3. By renumbering as necessary.

MADDOX of Polk

H-1217

- 1 Amend the amendment, H-1186, to Senate File 185, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, line 8, by inserting after the word
5 "who" the following: "intentionally".

HOGG of Linn

H-1219

- 1 Amend Senate File 359, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 3, line 15, by inserting after the word
4 "subsection," the following: "and that no hardship
5 order extending the time for sale or removal has been
6 secured pursuant to paragraph "d"".
7 2. Page 3, by inserting after line 16, the
8 following:
9 "d. Before expiration of the sixty-day period
10 elected pursuant to this section, the defendant may
11 apply to the court entering judgment to grant an
12 extension of time for sale or removal based upon
13 hardship that could not have reasonably been avoided
14 by the defendant."
15 3. Page 3, line 29, by inserting after the word
16 "period" the following: "or extended period".

SWAIM of Davis

H-1220

- 1 Amend House File 573 as follows:
2 1. Page 1, lines 4 and 5, by striking the words
3 "AND JUDICIAL ELECTION DISTRICTS".
4 2. Page 1, lines 7 and 8, by striking the words
5 "and judicial election districts".
6 3. Page 1, lines 9 and 10, by striking the words
7 "and judicial election districts".
8 4. Page 1, line 16, by striking the words "and
9 judicial election districts".
10 5. Page 1, line 18, by striking the words "and
11 judicial election districts".

- 12 6. Page 1, lines 20 and 21, by striking the words
 13 "and judicial election districts".
 14 7. Page 1, lines 26 and 27, by striking the words
 15 "and judicial election districts".
 16 8. Page 2, lines 1 and 2, by striking the words
 17 "and judicial election districts in section 602.6109,
 18 Code 2003,".
 19 9. Page 2, lines 3 and 4, by striking the words
 20 "and judicial election districts".
 21 10. Page 2, by striking lines 16 through 28.
 22 11. Title page, line 2, by striking the words
 23 "and judicial election districts".

EICHHORN of Hamilton

H-1221

1 Amend House File 662 as follows:

2 1. By striking page 12, line 20 through page 19,
 3 line 19, and inserting the following:

4 "..... \$ 1,171,209
 5 FTEs 16.00

6 The state board of regents, the department of
 7 management, and the legislative fiscal bureau shall
 8 cooperate to determine and agree upon, by November 15,
 9 2003, the amount that needs to be appropriated for
 10 tuition replacement for the fiscal year beginning July
 11 1, 2004.

12 The state board of regents shall submit a monthly
 13 financial report in a format agreed upon by the state
 14 board of regents office and the legislative fiscal
 15 bureau.

16 b. For allocation by the state board of regents to
 17 the state university of Iowa, the Iowa state
 18 university of science and technology, and the
 19 university of northern Iowa to reimburse the
 20 institutions for deficiencies in their operating funds
 21 resulting from the pledging of tuitions, student fees
 22 and charges, and institutional income to finance the
 23 cost of providing academic and administrative
 24 buildings and facilities and utility services at the
 25 institutions:

26 \$ 13,343,050

27 c. For funds to be allocated to the southwest Iowa
 28 graduate studies center:

29 \$ 108,105

30 d. For funds to be allocated to the siouxland
 31 interstate metropolitan planning council for the
 32 tristate graduate center under section 262.9,
 33 subsection 21:

34 \$ 79,626

35 e. For funds to be allocated to the quad-cities

36 graduate studies center:
 37 \$ 160,955
 38 2. STATE UNIVERSITY OF IOWA
 39 a. General university, including lakeside
 40 laboratory
 41 For salaries, support, maintenance, equipment,
 42 miscellaneous purposes, and for not more than the
 43 following full-time equivalent positions:
 44 \$226,765,874
 45 FTEs 4,055.62
 46 It is the intent of the general assembly that the
 47 university continue progress on the school of public
 48 health and the public health initiative for the
 49 purposes of establishing an accredited school of
 50 public health and for funding an initiative for the

Page 2

1 health and independence of elderly Iowans. From the
 2 funds appropriated in this lettered paragraph, the
 3 university may use up to \$2,100,000 for the school of
 4 public health and the public health initiative.
 5 b. University hospitals
 6 For salaries, support, maintenance, equipment, and
 7 miscellaneous purposes and for medical and surgical
 8 treatment of indigent patients as provided in chapter
 9 255, for medical education, and for not more than the
 10 following full-time equivalent positions:
 11 \$ 28,723,107
 12 FTEs 5,471.01
 13 The university of Iowa hospitals and clinics shall,
 14 within the context of chapter 255 and when medically
 15 appropriate, make reasonable efforts to extend the
 16 university of Iowa hospitals and clinics' use of home
 17 telemedicine and other technologies to reduce the
 18 frequency of visits to the hospital required by
 19 indigent patients. The university of Iowa hospitals
 20 and clinics shall submit a report to the general
 21 assembly and the legislative fiscal bureau by January
 22 15, 2004, describing its use of these technologies to
 23 accomplish this purpose.
 24 The university of Iowa hospitals and clinics shall
 25 submit quarterly a report regarding the portion of the
 26 appropriation in this lettered paragraph expended on
 27 medical education. The report shall be submitted in a
 28 format jointly developed by the university of Iowa
 29 hospitals and clinics, the legislative fiscal bureau,
 30 and the department of management, and shall delineate
 31 the expenditures and purposes of the funds.
 32 Funds appropriated in this lettered paragraph shall
 33 not be used to perform abortions except medically
 34 necessary abortions, and shall not be used to operate

35 the early termination of pregnancy clinic except for
36 the performance of medically necessary abortions. For
37 the purpose of this lettered paragraph, an abortion is
38 the purposeful interruption of pregnancy with the
39 intention other than to produce a live-born infant or
40 to remove a dead fetus, and a medically necessary
41 abortion is one performed under one of the following
42 conditions:
43 (1) The attending physician certifies that
44 continuing the pregnancy would endanger the life of
45 the pregnant woman.
46 (2) The attending physician certifies that the
47 fetus is physically deformed, mentally deficient, or
48 afflicted with a congenital illness.
49 (3) The pregnancy is the result of a rape which is
50 reported within 45 days of the incident to a law

Page 3

1 enforcement agency or public or private health agency
2 which may include a family physician.
3 (4) The pregnancy is the result of incest which is
4 reported within 150 days of the incident to a law
5 enforcement agency or public or private health agency
6 which may include a family physician.
7 (5) The abortion is a spontaneous abortion,
8 commonly known as a miscarriage, wherein not all of
9 the products of conception are expelled.
10 The total quota allocated to the counties for
11 indigent patients for the fiscal year beginning July
12 1, 2003, shall not be lower than the total quota
13 allocated to the counties for the fiscal year
14 commencing July 1, 1998. The total quota shall be
15 allocated among the counties on the basis of the 2000
16 census pursuant to section 255.16.
17 c. Psychiatric hospital
18 For salaries, support, maintenance, equipment,
19 miscellaneous purposes, for the care, treatment, and
20 maintenance of committed and voluntary public
21 patients, and for not more than the following full-
22 time equivalent positions:
23 \$ 7,346,244
24 FTEs 272.11
25 d. Center for disabilities and development
26 For salaries, support, maintenance, miscellaneous
27 purposes, and for not more than the following full-
28 time equivalent positions:
29 \$ 6,589,129
30 FTEs 143.34
31 From the funds appropriated in this lettered
32 paragraph, \$200,000 shall be allocated for purposes of
33 the employment policy group.

| | | |
|----|---|--------------|
| 34 | e. Oakdale campus | |
| 35 | For salaries, support, maintenance, miscellaneous | |
| 36 | purposes, and for not more than the following full- | |
| 37 | time equivalent positions: | |
| 38 | ..... | \$ 2,782,635 |
| 39 | FTEs | 43.25 |
| 40 | f. State hygienic laboratory | |
| 41 | For salaries, support, maintenance, miscellaneous | |
| 42 | purposes, and for not more than the following full- | |
| 43 | time equivalent positions: | |
| 44 | ..... | \$ 3,895,709 |
| 45 | FTEs | 102.49 |
| 46 | g. Family practice program | |
| 47 | For allocation by the dean of the college of | |
| 48 | medicine, with approval of the advisory board, to | |
| 49 | qualified participants, to carry out chapter 148D for | |
| 50 | the family practice program, including salaries and | |

Page 4

| | | |
|----|--|--------------|
| 1 | support, and for not more than the following full-time | |
| 2 | equivalent positions: | |
| 3 | ..... | \$ 2,165,546 |
| 4 | FTEs | 192.40 |
| 5 | h. Child health care services | |
| 6 | For specialized child health care services, | |
| 7 | including childhood cancer diagnostic and treatment | |
| 8 | network programs, rural comprehensive care for | |
| 9 | hemophilia patients, and the Iowa high-risk infant | |
| 10 | follow-up program, including salaries and support, and | |
| 11 | for not more than the following full-time equivalent | |
| 12 | positions: | |
| 13 | ..... | \$ 641,148 |
| 14 | FTEs | 53.46 |
| 15 | i. Statewide cancer registry | |
| 16 | For the statewide cancer registry, and for not more | |
| 17 | than the following full-time equivalent positions: | |
| 18 | ..... | \$ 188,370 |
| 19 | FTEs | 2.40 |
| 20 | j. Substance abuse consortium | |
| 21 | For funds to be allocated to the Iowa consortium | |
| 22 | for substance abuse research and evaluation, and for | |
| 23 | not more than the following full-time equivalent | |
| 24 | positions: | |
| 25 | ..... | \$ 67,752 |
| 26 | FTEs | 1.50 |
| 27 | k. Center for biocatalysis | |
| 28 | For the center for biocatalysis, and for not more | |
| 29 | than the following full-time equivalent positions: | |
| 30 | ..... | \$ 936,109 |
| 31 | FTEs | 5.20 |
| 32 | l. Primary health care initiative | |

33 For the primary health care initiative in the
 34 college of medicine and for not more than the
 35 following full-time equivalent positions:

36 \$ 799,596
 37 FTEs 7.75

38 From the funds appropriated in this lettered
 39 paragraph, \$330,000 shall be allocated to the
 40 department of family practice at the state university
 41 of Iowa college of medicine for family practice
 42 faculty and support staff.

43 m. Birth defects registry

44 For the birth defects registry and for not more
 45 than the following full-time equivalent positions:

46 \$ 46,729
 47 FTEs 1.30

48 3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

49 a. General university

50 For salaries, support, maintenance, equipment,

Page 5

1 miscellaneous purposes, and for not more than the
 2 following full-time equivalent positions:

3 \$179,099,970
 4 FTEs 3,647.42

5 It is the intent of the general assembly that the
 6 university continue progress on the center for
 7 excellence in fundamental plant sciences. From the
 8 funds appropriated in this lettered paragraph, the
 9 university may use up to \$4,670,000 for the center for
 10 excellence in fundamental plant sciences.

11 b. Agricultural experiment station

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

15 \$ 32,511,513
 16 FTEs 546.98

17 c. Cooperative extension service in agriculture
 18 and home economics

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

22 \$ 20,542,979
 23 FTEs 383.34

24 d. Leopold center

25 For agricultural research grants at Iowa state
 26 university under section 266.39B, and for not more
 27 than the following full-time equivalent positions:

28 \$ 497,582
 29 FTEs 11.25

30 e. Livestock disease research

31 For deposit in and the use of the livestock disease

32 research fund under section 267.8:
 33 \$ 237,404
 34 4. UNIVERSITY OF NORTHERN IOWA
 35 a. General university
 36 For salaries, support, maintenance, equipment,
 37 miscellaneous purposes, and for not more than the
 38 following full-time equivalent positions:
 39 \$ 80,160,795
 40 FTEs 1,398.01
 41 It is the intent of the general assembly that the
 42 university continue progress on the implementation of
 43 a masters in social work program. From the funds
 44 appropriated in this lettered paragraph, the
 45 university may use up to \$450,000 for the
 46 implementation of the masters in social work program,
 47 up to \$100,000 for the roadside vegetation project,
 48 and up to \$200,000 for the Iowa office for staff
 49 development.
 50 b. Recycling and reuse center

Page 6

1 For purposes of the recycling and reuse center, and
 2 for not more than the following full-time equivalent
 3 positions:
 4 \$ 218,472
 5 FTEs 3.00
 6 5. STATE SCHOOL FOR THE DEAF
 7 For salaries, support, maintenance, miscellaneous
 8 purposes, and for not more than the following full-
 9 time equivalent positions:
 10 \$ 7,852,182
 11 FTEs 126.60
 12 6. IOWA BRAILLE AND SIGHT SAVING SCHOOL
 13 For salaries, support, maintenance, miscellaneous
 14 purposes, and for not more than the following full-
 15 time equivalent positions:
 16 \$ 4,400,951
 17 FTEs 81.00".
 18 2. By renumbering as necessary.

JENKINS of Black Hawk

H-1225

1 Amend the amendment, H-1216, to House File 619 as
 2 follows:
 3 1. Page 5, line 23, by striking the word
 4 "Prescribing" and inserting the following: "With the
 5 exception of drugs prescribed for the treatment of
 6 mental illness, human immunodeficiency virus or
 7 acquired immune deficiency syndrome, transplantation,

- 8 or cancer, prescribing".
9 2. Page 5, by striking lines 26 through 37.
10 3. By renumbering as necessary.

SMITH of Marshall

H-1227

1 Amend House File 663 as follows:

2 1. Page 1, by inserting after line 25 the
3 following:

4 "Sec. . NEW SECTION. 298.2A PHYSICAL PLANT
5 AND EQUIPMENT LEVY STATE FUND - DISTRIBUTION.

6 1. A physical plant and equipment levy state fund
7 is created as a separate and distinct fund in the
8 state treasury under the control of the department of
9 education. Any moneys disbursed from the fund shall
10 be used as provided in section 298.3.

11 2. For the school budget year beginning July 1,
12 2004, and for each succeeding budget year, the county
13 treasurer shall remit to the department of education
14 for deposit into the physical plant and equipment levy
15 state fund the property tax revenues received from the
16 collection during the school budget year of the
17 regular physical plant and equipment levy.

18 3. The amount deposited in the physical plant and
19 equipment levy state fund in a budget year shall be
20 distributed as follows:

21 a. Each school district that has imposed the
22 regular physical plant and equipment levy shall
23 receive an amount per pupil equal to the amount in the
24 state fund divided by the combined actual enrollment
25 of all school districts that impose such levy. The
26 actual enrollment figures for each such school
27 district reported by October 1 to the department of
28 education pursuant to section 257.6, subsection 1,
29 shall be used to determine the combined actual
30 enrollment.

31 b. Notwithstanding the computation of the amount
32 per pupil in paragraph "a", if a school district has
33 incurred indebtedness or issued bonds which were
34 incurred or issued prior to April 1, 2003, and that
35 certifies that the amount to be received pursuant to
36 paragraph "a" plus any amount to be received from the
37 voter-approved physical plant and equipment levy is
38 insufficient to pay principal and interest on the
39 indebtedness or bonds, the school district may certify
40 such fact to the department of education and the
41 department shall provide the amount needed to pay
42 principal and interest but not to exceed the amount
43 collected from the school district's regular physical
44 plant and equipment levy. The amounts paid under this

45 subject to all school districts shall be paid from the
46 state fund prior to determining the actual per pupil
47 amount to be distributed to each district.
48 c. Distributions to school districts shall be made
49 approximately one-half by September 15 and the
50 remainder by March 15 of the budget year.

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1 d. This section does not apply to the collection
2 and distribution of any voter-approved physical plant
3 and equipment levy."
4 2. Title page, line 4, by inserting after the
5 word "purposes" the following: "and the regular
6 physical plant and equipment levies".

WENDT of Woodbury

H-1228

1 Amend House File 448 as follows:
2 1. Page 1, by striking lines 18 and 19 and
3 inserting the following: "commerce. The commission
4 consists of ~~three~~ five members licensed under this
5 chapter and two members not".
6 2. Page 2, by inserting after line 14, the
7 following:
8 "Sec. ____ Section 543B.15, subsection 8, Code
9 2003, is amended to read as follows:
10 8. To qualify for a license as a real estate
11 broker, a person shall complete at least sixty contact
12 hours of commission approved real estate education
13 within twenty-four months prior to taking the broker
14 examination. This education shall be in addition to
15 the required salesperson prelicense course. The
16 applicant shall have been a licensed real estate
17 salesperson actively engaged in real estate for a
18 period of at least twenty-four months preceding the
19 date of application, or shall have had experience
20 substantially equal to that which a licensed real
21 estate salesperson would ordinarily receive during a
22 period of twenty-four months, whether as a former
23 broker or salesperson, a manager of real estate, or
24 otherwise, or in lieu of the twenty-four months of
25 engagement as a licensed real estate salesperson and
26 in addition to completion of at least sixty contact
27 hours of commission approved real estate education and
28 the required salesperson prelicense course, shall have
29 completed at least thirty-six hours of continuing
30 education required for the initial renewal of a real
31 estate salesperson license."
32 3. Page 2, by inserting after line 29 the

33 following:

34 "Sec.____. EFFECTIVE DATE. Sections 1 and 3 of
35 this Act, relating to the auctioning of real estate,
36 take effect July 1, 2005."

37 4. Title page, line 2, by inserting after the
38 word "broker" the following: ", providing an
39 effective date,".

40 5. By renumbering as necessary.

KURTENBACH of Story

H-1230

1 Amend the amendment, H-1195, to House File 662 as
2 follows:

3 1. Page 1, by striking lines 4 through 21, and
4 inserting the following:

5 "" \$140,409,007

6 The funds appropriated in this subsection shall be
7 allocated as follows:

| | |
|------------------------------|----------------|
| 8 a. Merged Area I | \$ 6,741,255 |
| 9 b. Merged Area II | \$ 7,918,508 |
| 10 c. Merged Area III | \$ 7,356,114 |
| 11 d. Merged Area IV | \$ 3,595,513 |
| 12 e. Merged Area V | \$ 7,522,256 |
| 13 f. Merged Area VI | \$ 6,969,227 |
| 14 g. Merged Area VII | \$ 10,055,669 |
| 15 h. Merged Area IX | \$ 12,367,744 |
| 16 i. Merged Area X | \$ 19,409,622 |
| 17 j. Merged Area XI | \$ 20,539,330 |
| 18 k. Merged Area XII | \$ 8,116,031 |
| 19 l. Merged Area XIII | \$ 8,345,729 |
| 20 m. Merged Area XIV | \$ 3,638,385 |
| 21 n. Merged Area XV | \$ 11,448,718 |
| 22 o. Merged Area XVI | \$ 6,384,906"" |

FREVERT of Palo Alto

H-1232

1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 11, by striking lines 33 and 34, and
4 inserting the following: "agency, board, or
5 commission."

6 2. Page 12, by inserting after line 2, the
7 following:

8 "This subsection does not apply to the board of
9 trustees of a county hospital or to the board of
10 trustees of a city hospital."

ELGIN of Linn

H-1233

1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking page 2, line 12 through page 3,
4 line 7, and inserting the following:

5 "Sec. ____ Section 331.234, subsection 4, Code
6 2003, is amended to read as follows:

7 4. The Except as otherwise provided in subsection
8 5, the expenses of the commission may be paid from the
9 general fund of the county or Expenses of the
10 commission may also be paid from any combination of
11 public or private funds available for that purpose.
12 The commission's annual expenses may exceed the amount
13 in subsection 3 only if the excess is paid from
14 private funds. If a proposed charter is submitted to
15 the electorate, private funds donated to the
16 commission may be used to promote passage of the
17 proposed charter.

18 Sec. ____ Section 331.234, Code 2003, is amended
19 by adding the following new subsection:

20 **NEW SUBSECTION. 5.** In the case of a city-county
21 consolidation charter commission or a community
22 commonwealth charter commission, the expenses of the
23 commission shall be paid by each city and county
24 participating in the charter process pursuant to
25 section 331.233A. Each participating city's share
26 shall be its pro rata share of the expenses based upon
27 the ratio that the population of the city bears to the
28 total population in the county. The remainder shall
29 be paid from the general fund of the county. The
30 amount paid by each city and county participating in
31 the charter process shall be deposited in a segregated
32 account maintained by the county."

33 2. By renumbering as necessary.

ELGIN of Linn

H-1235

1 Amend Senate File 433, as passed by the Senate, as
2 follows:

3 1. Page 3, line 9, by striking the figure
4 "5,750,196", and inserting the following:
5 "5,850,196".

6 2. Page 3, by inserting after line 26 the
7 following:

8 "e. Of the moneys appropriated under this
9 subsection, \$100,000 shall be deposited in the Iowa

- 10 Lewis and Clark bicentennial fund created in section
11 15.223."

WENDT of Woodbury
WHITEAD of Woodbury
STRUYK of Pottawattamie

H-1242

- 1 Amend Senate File 435, as passed by the Senate, as
2 follows:
3 1. Page 2, line 4, by inserting after the word
4 "counties" the following: ", be open to the public
5 for court business on a uniform basis throughout the
6 state,".

EICHHORN of Hamilton

H-1244

- 1 Amend Senate File 297, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 61, line 23, by striking the words
4 "twenty one hundred" and inserting the following:
5 "twenty".

Committee on Natural Resources

H-1258

- 1 Amend Senate File 297, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 61, line 16, by striking the words
4 "twenty one hundred" and inserting the following:
5 "twenty".
6 2. Page 61, line 17, by striking the words "the a
7 registration" and inserting the following: "the".
8 3. Page 61, line 18, by inserting after the word
9 "registration" the following: "or user permit".

BAUDLER of Adair

H-1259

- 1 Amend House File 448 as follows:
2 1. Page 2, by inserting after line 29 the
3 following:
4 "Sec. NEW SECTION. 545A.1 TITLE:
5 This chapter shall be known and may be cited as the
6 "Iowa Auction and Auctioneer Licensing Act".
7 Sec. NEW SECTION. 545A.2 DEFINITIONS.
8 1. "Associate auctioneer" means a person who acts

- 9 as an auctioneer, but who is under the direct
10 supervision of a licensed auctioneer or auction
11 service.
- 12 2. "Auction" means the sale of property, real or
13 personal, by public outcry, in which the sale price of
14 the property offered is increased until the highest
15 accepted bidder becomes the purchaser.
- 16 3. "Auction clerk" or "auction cashier" means a
17 person who, with or without receiving or collecting a
18 fee, commission, or other valuable consideration,
19 collects, accounts for, or distributes proceeds from
20 an auction.
- 21 4. "Auction service" means a person who engages in
22 the business of arranging, managing, sponsoring,
23 advertising, or conducting auctions.
- 24 5. "Auctioneer" means a person who, as a bid
25 caller, sells or offers to sell property with or
26 without receiving or collecting a fee, commission, or
27 other valuable consideration.
- 28 6. "Certified auction school" means a public or
29 private educational institution offering a curriculum
30 of auctioneer education and training approved by the
31 commission.
- 32 7. "Commission" means the Iowa auction and
33 auctioneer commission established in section 545A.3.
- 34 8. "Licensee" means a person licensed under this
35 chapter.
- 36 9. "Person" means as defined in section 4.1.
- 37 10. "Property" means anything of value, and
38 includes any interest in property, including any
39 benefit, privilege, claim, or right with respect to
40 anything of value, whether real or personal, tangible
41 or intangible, which may be kept or offered for sale.
- 42 11. "Secured party" means as defined in section
43 554.9102.
- 44 12. "Trust account" means an account in a
45 federally insured financial institution used for the
46 deposit and disbursement of the proceeds of an
47 auction.
- 48 Sec. ____ **NEW SECTION. 545A.3 IOWA AUCTION AND**
49 **AUCTIONEER COMMISSION ESTABLISHED – MEMBERS –**
50 **DUTIES.**

Page 2

- 1 1. An Iowa auction and auctioneer commission is
2 established within the professional licensing and
3 regulation division of the department of commerce.
4 2. Members of the commission shall be appointed by
5 the governor and subject to confirmation by the senate
6 pursuant to section 2.32.
7 3. The commission shall consist of five voting

8 members as follows:

9 a. Four members who represent auctioneers, auction
10 clerks and auction cashiers, associate auctioneers,
11 and auction services. An individual appointed
12 pursuant to this paragraph must be a licensee.

13 b. One member who shall represent the public. An
14 individual appointed pursuant to this paragraph must
15 not be or have been a licensee under this chapter or
16 have engaged in any manner in the auction profession.

17 4. Members of the commission shall serve three-
18 year staggered terms as designated by the governor
19 consistent with this section and appointments to the
20 commission are subject to the requirements of sections
21 69.16, 69.16A, and 69.19. A member of the commission
22 shall serve no more than two consecutive terms, not
23 including any partial term which the member is
24 appointed to fill as the result of a vacancy.
25 Vacancies shall be filled by the governor for the
26 duration of the unexpired term in the same manner as
27 provided for other appointments.

28 5. A member of the commission is entitled to be
29 reimbursed for all actual and necessary expenses
30 incurred in performance of duties as a member. A
31 member of the commission shall also receive a per diem
32 as specified in section 7E.6 for each day spent in
33 performance of duties as a member.

34 6. A quorum shall consist of a majority of the
35 members of the commission.

36 7. Members of the commission shall elect a
37 chairperson and vice chairperson annually and other
38 officers as they determine.

39 8. The commission shall meet as often as
40 necessary, but at least once during each calendar
41 quarter. Meetings shall be set by a majority of the
42 commission or upon the call of the chairperson.

43 Sec. __. NEW SECTION. 545A.4 DUTIES OF THE
44 COMMISSION.

45 1. The commission shall adopt rules pursuant to
46 chapter 17A establishing licensing requirements and
47 other rules necessary to administer and enforce this
48 chapter. The commission shall consider proposed rules
49 recommended by a commission member, a member of the
50 general public, or a professional auction

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1 organization. The commission may publish guidelines
2 to provide clarification and explanation of adopted
3 rules.

4 2. The commission shall maintain a registry of the
5 names and addresses of auctioneers, associate
6 auctioneers, auction clerks, and auction services

7 licensed under this chapter. The commission shall
8 retain records and application materials submitted to
9 the commission.

10 3. The commission shall establish the licensing
11 requirements for each type of license, provide
12 appropriate examinations, establish procedures for
13 grading examinations, receive and approve or
14 disapprove applications for licensing, and issue
15 licenses.

16 An applicant for an auctioneer, associate
17 auctioneer, auction clerk or auction cashier, or
18 auction service license shall provide evidence that
19 the applicant has working knowledge of current auction
20 marketing theories, practices, and techniques which
21 will enable the applicant to provide high-quality
22 service and protection to members of the public.

23 4. The commission shall establish continuing
24 education requirements for licensees and monitor
25 compliance with the established requirements. The
26 basic continuing education requirement for renewal of
27 a license shall be the completion, during the
28 immediately preceding licensure term, of the number of
29 classroom hours of instruction required by the
30 commission in courses or seminars approved by the
31 commission.

32 Participation in continuing education for license
33 renewal is mandatory, except for nonresident licensees
34 whose nonresident license is issued by reciprocity
35 with the nonresident's state of residence. A
36 nonresident licensee whose state does not have a
37 substantially similar licensing requirement shall
38 fulfill the mandatory continuing education
39 requirements established pursuant to this section.

40 Sec. NEW SECTION. 545A.5 LICENSE FEES.

41 1. The commission shall establish and collect a
42 reasonable fee for a license application, examination,
43 reexamination, issuance of a license, renewal of a
44 license, and any delinquency fee sufficient to pay for
45 the costs of administration and implementation of this
46 chapter. The fees shall include, but are not limited
47 to, amounts to cover the cost for the following items:

48 a. Per diem and necessary expenses for commission
49 members.

50 b. Office facilities, staff assistance, supplies,

Page 4

1 and equipment of the commission.

2 2. Fees collected by the commission shall be
3 transmitted to the treasurer of state and shall be
4 deposited in the auctioneer recovery and education
5 fund established in section 545A.12. Moneys in the

6 fund are appropriated to and shall be used by the
7 commission consistent with this chapter.

8 Sec. ____ NEW SECTION. 545A.6 LICENSE
9 REQUIREMENTS.

10 1. An application for a license, renewal of a
11 license, or an examination shall be made in writing to
12 the commission on forms approved by the commission.

13 2. Prior to the adoption of rules by the
14 commission, the commission may issue an interim
15 license to a qualified applicant. An interim license
16 shall not be issued or renewed following the adoption
17 of licensure rules by the commission.

18 3. Except as otherwise provided in this chapter, a
19 person shall not act as an auctioneer, associate
20 auctioneer, auction clerk or auction cashier, or
21 auction service in this state unless that person holds
22 a license issued under this chapter.

23 4. A person is eligible for an auctioneer's
24 license if the applicant satisfies all of the
25 following:

26 a. The applicant is at least eighteen years of
27 age.

28 b. The applicant is a citizen of the United States
29 or a legal alien.

30 c. The applicant does one of the following:

31 (1) Passes a written or oral examination offered
32 pursuant to section 545A.7 demonstrating the
33 applicant's knowledge of auctioneering and the laws
34 pertaining to auctioneering.

35 (2) Shows proof that the applicant has legally
36 performed as an auctioneer in at least five auctions
37 prior to the date of application.

38 (3) Shows proof that the applicant has
39 successfully completed a course of study at a
40 certified auction school.

41 5. A person is eligible for an associate
42 auctioneer's license if the applicant satisfies both
43 of the following:

44 a. The applicant is a citizen of the United States
45 or a legal alien.

46 b. The applicant is employed under the direct
47 supervision of an auctioneer or auction service
48 licensed pursuant to this chapter.

49 6. A person is eligible for an auction clerk or
50 auction cashier license if the applicant satisfies all

Page 5

1 of the following:

2 a. The applicant is at least eighteen years of
3 age.

4 b. The applicant is a citizen of the United States

5 or a legal alien.

6 c. The applicant has not been convicted of a
7 felony.

8 d. The applicant does one of the following:

9 (1) Passes a written examination offered pursuant
10 to section 545A.7 demonstrating the applicant's
11 knowledge of the position of auction clerk or auction
12 cashier, acceptable accounting methodology, and the
13 laws pertaining to the position of auction clerk or
14 auction cashier.

15 (2) Shows proof that the applicant has
16 successfully completed a course of study at a
17 certified auction school.

18 (3) Shows proof that the applicant has legally
19 performed as an auction clerk or auction cashier in at
20 least five auctions within the previous five years
21 prior to application.

22 7. An auction service license may be issued for
23 the purpose of engaging in the business of arranging,
24 managing, sponsoring, advertising, or conducting
25 auctions, to a person who satisfies the requirements
26 both for licensure as an auctioneer and for licensure
27 as an auction clerk or auction cashier.

28 8. A licensed auction clerk or auction cashier,
29 and a licensed auction service, must hold an Iowa
30 retail sales tax permit.

31 Sec. ____ NEW SECTION. 545A.7 EXAMINATION
32 REQUIREMENTS.

33 1. The commission shall prepare license
34 examinations for an auctioneer license, auction clerk
35 or auction cashier license, and auction service
36 license. The commission shall also prepare study and
37 reference materials on which the examinations are
38 based. The examination for auctioneers, auction
39 clerks or auction cashiers, and auction services must
40 be designed to establish the applicant's general
41 knowledge of the auction profession, the principles of
42 conducting an auction, and the laws of this state
43 pertaining to auctioneers, auction clerks or auction
44 cashiers, and auction services. The license
45 examination must be offered at least four times a year
46 at locations designated by the commission.

47 2. A person seeking to become eligible for an
48 auctioneer license, auction clerk or auction cashier
49 license, or auction service license by examination
50 must apply to the commission to take a license

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1 examination. The application must be accompanied by
2 an examination fee. Upon the receipt of an
3 examination application with the required fee, the

4 commission shall furnish the applicant with study
5 materials and references on which the examination will
6 be based and a schedule specifying the dates and
7 places the examination will be offered. The applicant
8 may take the examination at any scheduled offering
9 within ninety days after receipt of the study
10 materials. If an applicant fails the examination, the
11 applicant may reapply to take the license examination
12 again. However, if the applicant fails the
13 examination twice within a one-year period, the
14 applicant must wait one year from the last date of
15 examination to reapply.

16 Sec. NEW SECTION. 545A.8 NONRESIDENT
17 LICENSE.

18 1. An auctioneer license, auction clerk or auction
19 cashier license, or auction service license from a
20 nonresident may be issued by the commission as
21 follows:

22 a. If the application is accompanied by a
23 certified copy of an auctioneer license, auction clerk
24 or auction cashier license, or auction service license
25 issued to the applicant by the applicant's state of
26 residence, and the commission has determined that the
27 applicant's state has substantially equivalent
28 licensing requirements, and only if the applicant's
29 state extends similar recognition and courtesies to
30 this state, the commission shall accept the license as
31 proof of the applicant's professional competence and
32 shall waive the course of study and examination
33 requirements of section 545A.7.

34 b. If an application is received from a
35 nonresident of this state where the applicant's state
36 of residency does not have an auctioneer license,
37 auction clerk or auction cashier license, or auction
38 service license requirement, the commission may issue
39 a nonresident license to the applicant if the
40 applicant meets the requirements of section 545A.6 and
41 all other application requirements.

42 2. The commission may issue a license to a
43 nonresident applicant for an associate auctioneer
44 license if the applicant meets the requirements of
45 section 545A.6 and all other application requirements.

46 3. A nonresident applying for a license pursuant
47 to this section shall file a written power of attorney
48 designating the secretary of state as the agent for
49 service of process in the event of any suit against
50 the nonresident person, and submitting to the

3 for service of process as provided by law is not
4 required to designate the secretary of state as the
5 nonresident's agent. The secretary of state is
6 allowed to collect fees as provided by law for
7 designating resident agents. The secretary shall be
8 furnished with a copy of any designation of the
9 secretary of state or of a resident agent, with the
10 copy to be certified by the secretary of state.

11 4. A licensed nonresident auction clerk or auction
12 cashier and licensed nonresident auction service must
13 hold an Iowa sales tax permit.

14 Sec. __. NEW SECTION. 545A.9 LICENSE
15 CERTIFICATE.

16 1. A license certificate issued under this chapter
17 shall bear the signature or facsimile signature of a
18 member of the commission and a license number assigned
19 by the commission.

20 2. No less than ninety days prior to the
21 expiration of a licensee's license, the commission
22 shall issue a renewal notice to each licensee.

23 Sec. __. NEW SECTION. 545A.10 DENIAL,
24 SUSPENSION, OR REVOCATION OF LICENSE.

25 1. The rights of a holder of a license as a
26 licensed auctioneer, licensed associate auctioneer,
27 licensed auction clerk or auction cashier, or licensed
28 auction service may be revoked or suspended, or the
29 holder may be otherwise disciplined as provided in
30 this chapter. The commission may investigate the
31 actions of a licensee and may revoke or suspend the
32 rights of a licensee or otherwise discipline a
33 licensee for violation of this chapter or of a rule
34 adopted pursuant to this chapter. Violations shall
35 include, but are not limited to, the following acts or
36 omissions:

37 a. Procurement or attempt to procure a license
38 under this chapter by knowingly making a false
39 statement, submitting false information, refusing to
40 provide complete information in response to a question
41 in an application for license, or participating in any
42 form of fraud or misrepresentation.

43 b. Failure to meet the minimum qualifications
44 established by this chapter.

45 c. Continued and flagrant misrepresentations or
46 making false promises through agents, advertising, or
47 otherwise.

48 d. Failing to account for or remit, within a
49 reasonable time, any money or property belonging to
50 others that comes into the licensee's possession, or

2 failing to keep such funds of others in an escrow or
3 trust account.

4 e. Conviction, including a conviction based upon a
5 plea of guilt or nolo contendere, in a court of
6 competent jurisdiction of this state or any other
7 state of a crime which is substantially related to the
8 qualifications, functions, and duties of a person
9 engaged in the auction profession or involving moral
10 turpitude or a felony.

11 f. Failure or refusal without good cause to
12 exercise reasonable diligence in preparing an auction,
13 conducting an auction, or completing an auction.

14 g. A violation of the uniform commercial code,
15 chapter 554, in the conduct of an auction.

16 2. Before denying an application for a license or
17 before suspending or revoking any license, the
18 commission shall in all cases set the matter for a
19 hearing and shall, at least thirty days before the
20 date set for the hearing, notify in writing the
21 applicant or licensee of the charges made against the
22 applicant or licensee, or of the question to be
23 determined, including notice of when and where the
24 hearing will be held.

25 3. The applicant or licensee is entitled to an
26 opportunity to be present and to be heard in person or
27 by counsel and to have an opportunity to offer
28 evidence by oral testimony, by affidavit, or by
29 deposition.

30 4. Written notice may be served by delivery of the
31 notice personally to the applicant or licensee or by
32 mailing the notice by certified mail to the last known
33 mailing address of the applicant or licensee. If the
34 applicant or licensee is an associate auctioneer, the
35 commission shall also notify the auctioneer employing
36 the associate auctioneer by mailing the notice by
37 certified mail to the employing auctioneer's last
38 known address.

39 5. The hearing shall be conducted pursuant to
40 chapter 17A.

41 6. If, after hearing, the commission determines
42 that a license should be denied, revoked, or
43 suspended, the applicant or licensee has thirty days
44 in which to appeal the commission's decision to the
45 district court of the county in which the
46 disqualification or violation is alleged to have
47 occurred.

48 Sec. __. NEW SECTION. 545A.11 INACTIVE LICENSE.

49 A licensee who does not engage in any activity for
50 which a license under this chapter is required during

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1 the year succeeding the expiration of the license
2 shall notify the commission to place the licensee on a
3 list of inactive licensees and the licensee shall not
4 be required to pay a license renewal fee for as long
5 as the licensee remains inactive and annually notifies
6 the commission of such inactive status. In order to
7 resume engaging in an activity for which a license
8 under this chapter is required, the licensee shall
9 notify the commission and remit the appropriate
10 renewal fee for the current renewal period.

11 Sec. ____ **NEW SECTION. 545A.12 AUCTIONEER**
12 **RECOVERY AND EDUCATION FUND ESTABLISHED - PURPOSE.**

13 1. a. An auctioneer recovery and education fund
14 is created in the state treasury under the control of
15 the commission.

16 b. In addition to the license fees collected
17 pursuant to this chapter, upon renewal of every
18 auction clerk or auction cashier and auction service
19 license, the commission, in its discretion and based
20 upon the needs of the commission, may assess every
21 licensee an amount not to exceed fifty dollars per
22 year to be deposited in the auctioneer recovery and
23 education fund.

24 c. In addition to the license fees collected
25 pursuant to this chapter, an applicant for an initial
26 license shall pay an additional amount of fifty
27 dollars, but upon renewal shall pay the same fee as
28 other licensees.

29 2. Moneys in the fund shall be used for the
30 following purposes:

31 a. Payment to a person aggrieved by a licensee as
32 the result of a violation of this chapter or rules
33 adopted pursuant to this chapter. Payment is to be
34 made upon the entry of a final order entered by the
35 commission or by a court. The commission is
36 authorized to pay to the aggrieved person or persons
37 an aggregate amount not to exceed fifty thousand
38 dollars against any one licensee, provided that the
39 licensee has refused to pay the claim within a period
40 of twenty days of entry of a final order and provided
41 further that the amount or amounts of money in
42 question are certain and liquidated.

43 b. The commission shall attempt to maintain a
44 minimum level of two hundred thousand dollars in the
45 fund for recovery and guaranty purposes. All moneys
46 in the fund may be invested in the same manner as
47 funds of the Iowa public employees' retirement system
48 and the interest from the investments shall be
49 deposited to the credit of the fund. Sufficient
50 liquidity shall be maintained so that moneys are

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1 available to satisfy any and all claims, subject to
2 available funds, which may be processed through the
3 commission by means of administrative hearing as
4 outlined in this chapter.

5 c. The commission, in its discretion, may use any
6 funds in excess of the two hundred thousand dollar
7 level for any of the following purposes:

8 (1) To carry out the advancement of education and
9 research in the auction field for the benefit of
10 licensees, and for improving the efficiency of the
11 auction profession.

12 (2) To underwrite educational seminars and other
13 forms of education projects for the use and benefit
14 generally of licensees.

15 (3) To establish an auction chair or courses at
16 state institutions of higher learning for the purpose
17 of making the courses available to licensees and the
18 general public.

19 (4) To contract for particular research projects
20 relating to the auction profession.

21 (5) To sponsor, contract for, and to underwrite
22 any and all other educational and research projects of
23 a similar nature having to do with the advancement of
24 the auction profession.

25 (6) To cooperate with associations of auctioneers
26 and any other groups for the enlightenment and
27 advancement of licensees.

28 (7) To increase the level of the auctioneer
29 recovery and education fund above two hundred thousand
30 dollars.

31 (8) To augment the regular trust and agency
32 account of the commission.

33 3. a. If a licensee is found guilty of violation
34 of this chapter or of the rules adopted pursuant to
35 this chapter, and if the amount of money lost by the
36 aggrieved party or parties is in dispute or cannot be
37 determined accurately, the liability of the licensee
38 and the amount of damages shall be determined by the
39 district court in the county where the alleged
40 violation took place, provided that the commission has
41 previously determined that a violation has occurred
42 and a final order has been entered.

43 b. If a final order of the commission has been
44 entered and the rights of the licensee have been
45 finally adjudicated, the district court shall make a
46 finding as to the monetary damages to be awarded.

47 c. When a final order has been entered by the
48 district court, or after appeal, if any, and upon
49 certification to the commission, the aggrieved party
50 or parties shall be paid an amount or amounts in the

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1 aggregate not to exceed fifty thousand dollars by the
2 commission, and the license held by the licensee
3 against whom the claim was made by the aggrieved party
4 shall be suspended at a minimum until the licensee has
5 reimbursed the auctioneer recovery and education fund
6 for all amounts paid to the aggrieved party as a
7 result of the violation.

8 d. Upon payment by the commission of any sum to
9 the aggrieved party, the commission shall be
10 subrogated to all rights of the aggrieved party to the
11 extent of the payment and the aggrieved party shall to
12 the extent of the payment assign such right, title,
13 and interest in the judgment to the commission.

14 e. A claim for monetary damages or relief from the
15 auctioneer recovery and education fund must be made in
16 writing on a proof of loss form submitted to the
17 commission within six months of the act of the
18 auctioneer giving rise to the loss. Failure to file
19 such claims within the six-month period shall bar the
20 claim. Additional evidence shall be submitted by the
21 claimant if required by the commission.

22 f. Notwithstanding any other provisions of this
23 chapter, an unreimbursed amount greater than fifty
24 thousand dollars shall not be paid by the commission
25 on account of any one licensee, regardless of the
26 length of time, the number of claims or claimants, or
27 the size of the claims, individually or in the
28 aggregate. Upon reimbursement of the fund by the
29 licensee for all amounts paid, future claims timely
30 filed with the commission regarding the licensee
31 concerning different matters may be received pursuant
32 to this section.

33 g. A claim shall not be approved under this
34 section for amounts which, in the aggregate, exceed
35 the maximum payable in effect at the time of the act
36 or acts of the licensee giving rise to the claims on
37 account of any one licensee. A statutory increase in
38 the established maximum shall not apply retroactively.

39 4. This section is not intended to substitute for,
40 circumvent, or duplicate other remedies existing at
41 law for claimants or potential claimants, but
42 constitutes a last resort for aggrieved persons who
43 would not, but for the provisions of this section, be
44 able to recover their losses by any other means
45 available. The commission shall have full discretion
46 to require that claimants exhaust all other remedies
47 prior to proceeding under this section.

48 Sec. NEW SECTION. 545A.13 PREEMPTION.

49 A political subdivision of this state shall not
50 levy or collect any license fee, tax, or other fee, or

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1 require the licensing in any manner of any auctioneer,
2 associate auctioneer, auction clerk or auction
3 cashier, or auction service subject to this chapter.

4 Sec. NEW SECTION. 545A.14 TRUST ACCOUNT
5 REQUIREMENTS.

6 1. A licensee shall maintain a trust account as
7 provided in this section for the deposit and dispersal
8 of all proceeds collected on the behalf of another
9 person, including sales tax, if applicable. The
10 account shall be separate from all other trust
11 accounts of the holder and may be an interest-bearing
12 account. For purposes of this section, "licensee"
13 means a licensed auction clerk or auction cashier or
14 licensed auction service.

15 2. A licensee required to maintain a trust account
16 pursuant to this section shall report to the
17 commission the name and mailing address of the
18 financial institution where the trust account is
19 maintained and the trust account number. A consent
20 form shall also be furnished to the commission from
21 the licensee and the financial institution to permit
22 the examination and audit of the trust account by the
23 commission or the commission's representative.

24 3. Auction trust accounts shall be maintained as
25 follows:

26 a. A resident licensee shall maintain a trust
27 account in a federally insured financial institution
28 located in this state.

29 b. A nonresident licensee licensed in such
30 licensee's state of residence shall maintain a trust
31 account in this state in the same manner as provided
32 for a resident licensee under paragraph "a", or in a
33 federally insured financial institution in the
34 licensee's state of residence and the licensee shall
35 comply with subsection 2.

36 c. A nonresident licensee who is a resident of a
37 state that does not provide for the licensing of
38 auctioneers, auction clerks or auction cashiers, or
39 auction services must maintain an auction trust
40 account in a federally insured Iowa financial
41 institution and the licensee shall comply with
42 subsection 2.

43 4. An auction trust account may contain sufficient
44 personal funds of the licensee to maintain that
45 account.

46 Sec. NEW SECTION. 545A.15 INVESTIGATION OF
47 COMPLAINT - ACTION.

48 The commission, upon its own motion, may, or on the
49 written and verified complaint of any person aggrieved
50 by the actions of an auctioneer, associate auctioneer,

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1 auction clerk or auction cashier, or an auction
2 service in the conduct of an auction, shall,
3 investigate alleged violations and complaints of this
4 chapter by a licensed or unlicensed auctioneer,
5 associate auctioneer, auction clerk or auction
6 cashier, or auction service.

7 Sec. . NEW SECTION. 545A.16 PENALTIES.

8 1. A person who acts as an auctioneer, associate
9 auctioneer, auction clerk or auction cashier, or
10 auction service without first obtaining a license
11 under this chapter commits a simple misdemeanor.

12 2. A person who violates any other provisions of
13 this chapter, or a rule adopted by the commission in
14 the administration of this chapter for which no other
15 penalty is provided, commits a simple misdemeanor.

16 3. The commission shall adopt rules providing for
17 civil penalties in amounts as permitted by state law
18 and as determined by the commission.

19 Sec. . NEW SECTION. 545A.17 AUCTION
20 CONTRACTS.

21 1. A licensee and each seller of personal property
22 at an auction which is to be conducted or managed
23 within the state shall enter into a written contract.
24 A contract between a licensee and a seller of personal
25 property must be signed by all parties.

26 2. The written contract, at a minimum, shall
27 contain the following:

28 a. The auctioneer's, auction clerk's or auction
29 cashier's, or the auction service's name, trade or
30 business name, and the license number of the
31 auctioneer, auction clerk or auction cashier, or
32 auction service.

33 b. The name of the owner or consignor of the
34 property to be auctioned.

35 c. A general description of the property to be
36 sold.

37 d. Any restriction relating to conducting the
38 auction and a statement indicating whether the
39 auctioneer, auction clerk or auction cashier, or
40 auction service is authorized to purchase at the
41 auction.

42 e. A description of all services to be provided
43 and the fee for services, including whether a buyer's
44 premium will be assessed and, if so, the amount of the
45 buyer's premium.

46 f. A statement indicating which party is
47 responsible for advertising and other auction
48 expenses.

49 g. The date, location, and starting time of the
50 auction, if known.

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1 h. A statement as to the responsibilities of each
2 party for the auction.

3 i. A statement by the seller that the seller has
4 title or right to sell all property to be sold at
5 auction with identification of those items which are
6 subject to an encumbrance or lien and the disclosure
7 of the person or entity holding an encumbrance or
8 lien.

9 3. An owner or consignor of the property to be
10 auctioned shall be furnished with a copy of the
11 contract.

12 Sec. NEW SECTION. 545A.18 ADVERTISING
13 REQUIREMENTS.

14 1. An auctioneer, auction clerk or auction
15 cashier, or auction service who advertises to hold,
16 conduct, or act as an auction clerk or auction cashier
17 at an auction within this state shall indicate in the
18 advertisement the name and license number of the
19 auctioneer, auction clerk or auction cashier, or
20 auction service.

21 2. This section does not pertain to advertisements
22 for an auction that is to be held in another state.

23 Sec. NEW SECTION. 545A.19 EMPLOYMENT BY
24 AUCTION SERVICE.

25 A person licensed under this chapter shall not act
26 as an auctioneer, associate auctioneer, or auction
27 clerk or auction cashier for an auction service unless
28 the auction service is licensed under this chapter.

29 Sec. NEW SECTION. 545A.20 EXEMPT
30 TRANSACTIONS.

31 This chapter does not apply to a person who engages
32 in any of the following:

33 1. An auction conducted by order of the court
34 pursuant to Title 11 of the United States Code
35 relating to bankruptcy.

36 2. An auction conducted by an employee of the
37 United States, or of this state or its political
38 subdivisions, in the course and scope of the
39 employee's employment.

40 3. An auction conducted by a charitable or
41 nonprofit organization, if the auctioneer receives no
42 compensation.

43 4. An auction conducted by an individual of that
44 individual's own property if the individual is not
45 engaged in the business of selling such property as an
46 auctioneer on a recurring basis.

47 5. A foreclosure auction of realty conducted
48 personally by a trustee under a deed of trust.

49 6. A foreclosure auction of personal property
50 conducted personally by the mortgagee, or other

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1 secured party, or an employee or agent of the
2 mortgagee or other secured party acting in the course
3 and scope of the employee's employment, if the
4 employee or agent is not engaged otherwise in the
5 auction business and if all property for sale at
6 auction is subject to a security agreement.

7 7. A sale conducted by sealed bid.

8 8. An auction conducted in a course of study for
9 auctioneers or auction clerks or auction cashiers and
10 conducted for student training purposes.

11 9. An auction conducted by a posted stockyard or
12 market agency as defined by the federal Packers and
13 Stockyard Act, 1921, as amended, 7 U.S.C. § 181 et
14 seq.

15 10. An auction of livestock conducted by a
16 nonprofit livestock trade association chartered in
17 this state if the auction involves only the sale of
18 livestock of the trade association's members.

19 11. An auction conducted by a charitable or
20 nonprofit organization chartered in this state if the
21 auction involves only the property of the organization
22 or its members and the auction is part of an event
23 that is organized under state or local authority.

24 12. A motor vehicle auction, including the auction
25 of wrecked, salvage, or abandoned vehicles.

26 Sec. __. INITIAL IOWA AUCTION AND AUCTIONEER
27 COMMISSION APPOINTMENTS. The initial members of the
28 Iowa auction and auctioneer commission shall be
29 appointed to the following terms:

30 1. Two members shall be appointed for a term of
31 three years.

32 2. Two members shall be appointed for a term of
33 two years.

34 3. One member shall be appointed for a term of one
35 year."

36 2. Title page, by striking lines 1 and 2 and
37 inserting the following: "An Act relating to the sale
38 of property, by making changes relating to the real
39 estate commission and provisions applicable to a
40 licensed real estate broker, by providing for the
41 licensing of auctioneers, and making".

S. OLSON of Clinton

H-1260

1 Amend House File 595, as follows:

2 1. Page 1, by inserting before line 15, the
3 following:

4 "Sec. __. Section 331.247, subsection 4, Code

5 2003, is amended to read as follows:

6 4. ~~If an alternative form of government for a~~
7 ~~consolidated unit of local government is proposed,~~
8 ~~approval of the consolidation charter shall be a~~
9 ~~separate ballot issue from approval of the alternative~~
10 ~~form of government in those cities proposed to be~~
11 ~~included in the consolidation. The consolidation~~
12 ~~charter shall be effective in regard to a city~~
13 ~~government only if a majority of the voters of the~~
14 ~~city voting on the question voted for participation in~~
15 ~~the consolidation charter. The consolidation charter~~
16 ~~is adopted only if all of the following apply:~~

17 a. A majority of the votes cast in the
18 unincorporated area of the county approves the
19 proposal.

20 b. A majority of the votes cast in the entire
21 county approves the proposal.

22 c. A majority of the votes cast in at least one
23 city named on the ballot approves the proposal.

24 Sec. __. Section 331.260, subsection 2,
25 unnumbered paragraph 1, Code 2003, is amended to read
26 as follows:

27 A charter proposing a community commonwealth as an
28 alternative form of government may be submitted to the
29 voters only by a commission established under section
30 331.232. A majority vote by the commission is
31 required for the submission of a charter proposing a
32 community commonwealth as an alternative form of local
33 government. The commission submitting a community
34 commonwealth form of government shall issue a final
35 report and proposal. ~~If an alternative form of~~
36 ~~government for a community commonwealth form of local~~
37 ~~government is proposed, approval of the commonwealth~~
38 ~~charter shall be a separate ballot issue from approval~~
39 ~~of the alternative form of government in those cities~~
40 ~~proposed to be included in the commonwealth. The~~
41 ~~commonwealth charter shall be effective in regard to a~~
42 ~~city government only if a majority of the voters of~~
43 ~~the city voting on the question voted for~~
44 ~~participation in the commonwealth charter. The~~
45 ~~community commonwealth charter is adopted only if all~~
46 ~~of the following apply:~~

47 a. A majority of the votes cast in the
48 unincorporated area of the county approves the
49 proposal.

50 b. A majority of the votes cast in the entire

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1 county approves the proposal.

2 c. A majority of the votes cast in at least one

3 city named on the ballot approves the proposal."

4 2. Title page, line 3, by inserting after the
5 words "involuntary annexations" the following: "and
6 to elections relating to certain alternative forms of
7 county government".

·WISE of Lee

H-1263

1 Amend the amendment, H-1215, to House File 598 as
2 follows:

3 1. Page 2, by inserting after line 15 the
4 following:

5 "Sec. ____ Section 692A.2A, subsections 2 and 3,
6 Code 2003, are amended to read as follows:

7 2. A person shall not reside within ~~two one~~
8 thousand three hundred twenty feet of the real
9 property comprising a public or nonpublic elementary
10 or secondary school or a child care facility.

11 3. A person who resides within ~~two one~~ thousand
12 three hundred twenty feet of the real property
13 comprising a public or nonpublic elementary or
14 secondary school, or a child care facility, commits an
15 aggravated misdemeanor.

16 Sec. ____ Section 692A.2A, subsection 4,
17 unnumbered paragraph 1, Code 2003, is amended to read
18 as follows:

19 A person residing within ~~two one~~ thousand three
20 hundred twenty feet of the real property comprising a
21 public or nonpublic elementary or secondary school or
22 a child care facility does not commit a violation of
23 this section if any of the following apply:"

24 2. Page 2, by inserting after line 24 the
25 following:

26 "Sec. ____ Section 692A.5, subsection 1, paragraph
27 h, Code 2003, is amended to read as follows:

28 h. Inform the person, if the person's residency is
29 restricted under section 692A.2A, that the person
30 shall not reside within ~~two one~~ thousand three hundred
31 twenty feet of the real property comprising a public
32 or nonpublic elementary or secondary school, or a
33 child care facility."

34 3. By renumbering as necessary.

JENKINS of Black Hawk

H-1264

1 Amend Senate File 433, as passed by the Senate, as
2 follows:

3 1. Page 3, by inserting after line 26 the
4 following:

5 "e. The department of economic development and the
6 department of cultural affairs shall work
7 cooperatively with national heritage areas located in
8 Iowa and designated by the United States Congress to
9 develop and implement a plan for purposes of enhancing
10 tourism in Iowa. By February 1, 2004, the department
11 of economic development and the department of cultural
12 affairs shall submit the plan to the standing
13 committees on economic growth in the senate and the
14 house of representatives."

THOMAS of Clayton

H-1265

1 Amend the amendment, H-1215, to House File 598 as
2 follows:
3 1. Page 2, by inserting after line 15, the
4 following:
5 "Sec. ____ NEW SECTION. 321J.2C PERSONS FOUND
6 NOT GUILTY.
7 1. Notwithstanding any other provision of this
8 chapter to the contrary, if any prosecution for a
9 violation of section 321J.2 or 321J.2A does not result
10 in a conviction, and the defendant's driver's license
11 or nonresident operating privilege has been revoked
12 under section 321J.12 for the occurrence from which
13 the arrest arose, the department shall, upon receipt
14 of the court order finding the defendant not guilty,
15 immediately rescind the revocation order and reinstate
16 the defendant's license.
17 2. Notwithstanding section 321.12 or any other
18 provision of chapter 321 or 321J to the contrary, the
19 director shall immediately destroy any operating
20 records pertaining to a revocation under section
21 321J.12 for the occurrence from which an arrest arose
22 when the defendant was subsequently prosecuted and
23 found not guilty upon receipt of the court order
24 finding the defendant not guilty."
25 2. Page 4, line 7, by inserting after the word
26 "substances," the following: "reinstating a driver's
27 license upon a finding of not guilty in an operating-
28 while-intoxicated offense,".
29 3. By renumbering as necessary.

HEATON of Henry
HORBACH of Tama
SHOULTZ of Black Hawk

H-1266

1 Amend the amendment, H-1215, to House File 598 as

2 follows:

3 1. Page 1, line 12, by striking the word "thirty"
4 and inserting the following: "thirty-five".

5 2. Page 2, by striking lines 25 through 39.

6 3. By striking page 2, line 42, through page 3,
7 line 25, and inserting the following:

8 "Sec. ____ **NEW SECTION. 901.5B REOPENING OF**
9 **SENTENCE FOR PERSONS SERVING SENTENCE SUBJECT TO**
10 **MAXIMUM ACCUMULATION OF EARNED TIME OF FIFTEEN**
11 **PERCENT.**

12 1. A defendant serving a sentence under section
13 902.12 prior to the effective date of this Act, who is
14 sentenced by the court to the custody of the director
15 of the department of corrections, may have the
16 judgment and sentence reopened for resentencing if all
17 of the following apply:

18 a. The county attorney from the county which
19 prosecuted the defendant files a motion in the
20 sentencing court to reopen the sentence of the
21 defendant. The victim, if possible, shall be served a
22 copy of the motion by certified mail. The motion
23 shall specify that the county attorney, if possible,
24 has informed the victim about the filing of the
25 motion, and that the victim has thirty days from the
26 date of the filing of the motion to file a written
27 objection with the court.

28 b. No written objection is filed, thereby
29 requiring the court to grant the motion, or if a
30 written objection is filed, and upon hearing the court
31 grants the motion.

32 2. Upon the court granting the motion to reopen
33 the sentence, the court shall order that the defendant
34 be eligible for consideration of parole or work
35 release in the same manner as a defendant serving a
36 sentence under section 902.12.

37 3. For purposes of calculating earned time under
38 section 903A.2, the sentencing date for a defendant
39 whose sentence has been reopened under this section
40 shall be the date of the original sentencing order.

41 4. The filing of a motion or reopening of a
42 sentence under this section shall not constitute
43 grounds to stay any other court proceedings, or to
44 toll or restart the time for filing of any posttrial
45 motion or any appeal."

46 4. Page 4, lines 9 and 10, by striking the words
47 "creating a criminal offense of robbery in the third
48 degree,"

49 5. By renumbering as necessary.

H-1267

1 Amend the amendment, H-1215, to House File 598 as
2 follows:

3 1. Page 3, by inserting after line 25 the
4 following:

5 "Sec. ____ Section 902.11, unnumbered paragraph 1,
6 Code 2003, is amended to read as follows:

7 A person serving a sentence for conviction of a
8 felony, ~~other than a forcible felony under section~~
9 ~~902.12~~, who has a criminal record of one or more prior
10 convictions for a forcible felony or a crime of a
11 similar gravity in this or any other state, shall be
12 denied parole or work release unless the person has
13 served at least one-half of the maximum term of the
14 defendant's sentence. However, the mandatory sentence
15 provided for by this section does not apply if either
16 of the following apply:

17 Sec. ____ Section 902.12, unnumbered paragraph 1,
18 Code 2003, is amended to read as follows:

19 ~~Except as otherwise provided in section 903A.2, a~~ A
20 person serving a sentence for conviction of the
21 following forcible felonies shall ~~serve one hundred~~
22 ~~percent of the maximum term of the person's sentence~~
23 ~~and shall not be released on be denied~~ parole or work
24 ~~release unless the person has served at least one-half~~
25 of the maximum term of the person's sentence:

26 Sec. ____ Section 902.12, subsection 5, unnumbered
27 paragraph 2, Code 2003, is amended to read as follows:

28 ~~Except as otherwise provided in section 903A.2, a~~
29 ~~person serving a sentence for conviction under~~
30 6. Vehicular homicide in violation of section
31 707.6A, subsection 1 or 2, shall serve one hundred
32 percent of the maximum term of the person's sentence
33 and shall not be released on parole or work release if
34 the person was also convicted under section 321.261,
35 subsection 3, based on the same facts or event that
36 resulted in the conviction under section 707.6A,
37 subsection 1 or 2."

38 2. Page 4, line 11, by inserting after the word
39 "of" the following: "and relating to".

40 3. By renumbering as necessary.

SWAIM of Davis

H-1268

1 Amend the amendment, H-1215, to House File 598 as
2 follows:

3 1. Page 2, by inserting after line 15 the
4 following:

5 "Sec. ____ NEW SECTION. 321J.2D PERSONS FOUND
6 NOT GUILTY - INSURANCE.

7 Notwithstanding any other provision to the
8 contrary, if any prosecution for a violation of
9 section 321J.2 or 321J.2A does not result in a
10 conviction, an insurance company that has increased
11 the defendant's insurance premium due to the
12 prosecution of a violation of section 321J.2 or
13 321J.2A shall reimburse the defendant any insurance
14 premium collected by the insurance company which is in
15 excess of the defendant's insurance premium prior to
16 the prosecution."

17 2. Page 4, line 8, by inserting before the word
18 "changing" the following: "requiring reimbursement of
19 insurance premiums upon a finding of not guilty in an
20 operating-while-intoxicated prosecution,".

21 3. By renumbering as necessary.

BAUDLER of Adair

H-1269

1 Amend the amendment, H-1215, to House File 598 as
2 follows:

3 1. Page 1, line 12, by striking the word "thirty"
4 and inserting the following: "thirty-five".

5 2. Page 2, by striking lines 25 through 39.

6 3. Page 4, lines 9 and 10, by striking the words
7 "creating a criminal offense of robbery in the third
8 degree,"

9. By renumbering as necessary.

SWAIM of Davis

H-1270

1 Amend the amendment, H-1215, to House File 598 as
2 follows:

3 1. By striking page 2, line 42, through page 3,
4 line 25, and inserting the following:

5 "Sec. ____ **NEW SECTION. 901.5B REOPENING OF**
6 **SENTENCE FOR PERSONS SERVING SENTENCE SUBJECT TO**
7 **MAXIMUM ACCUMULATION OF EARNED TIME OF FIFTEEN**
8 **PERCENT.**

9 1. A defendant serving a sentence under section
10 902.12 prior to the effective date of this Act, who is
11 sentenced by the court to the custody of the director
12 of the department of corrections, may have the
13 judgment and sentence reopened for resentencing if all
14 of the following apply:

15 a. The county attorney from the county which
16 prosecuted the defendant files a motion in the
17 sentencing court to reopen the sentence of the
18 defendant. The victim, if possible, shall be served a

19 copy of the motion by certified mail. The motion
20 shall specify that the county attorney, if possible,
21 has informed the victim about the filing of the
22 motion, and that the victim has thirty days from the
23 date of the filing of the motion to file a written
24 objection with the court.

25 b. No written objection is filed, thereby
26 requiring the court to grant the motion, or if a
27 written objection is filed, and upon hearing the court
28 grants the motion.

29 2. Upon the court granting the motion to reopen
30 the sentence, the court shall order that the defendant
31 be eligible for consideration of parole or work
32 release in the same manner as a defendant serving a
33 sentence under section 902.12.

34 3. For purposes of calculating earned time under
35 section 903A.2, the sentencing date for a defendant
36 whose sentence has been reopened under this section
37 shall be the date of the original sentencing order.

38 4. The filing of a motion or reopening of a
39 sentence under this section shall not constitute
40 grounds to stay any other court proceedings, or to
41 toll or restart the time for filing of any posttrial
42 motion or any appeal."

43 2. Page 3, by inserting after line 25 the
44 following:

45 "Sec. ____ Section 902.11, unnumbered paragraph 1,
46 Code 2003, is amended to read as follows:

47 A person serving a sentence for conviction of a
48 felony, ~~other than a forcible felony under section~~
49 ~~902.12~~, who has a criminal record of one or more prior
50 convictions for a forcible felony or a crime of a

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1 similar gravity in this or any other state, shall be
2 denied parole or work release unless the person has
3 served at least one-half of the maximum term of the
4 defendant's sentence. However, the mandatory sentence
5 provided for by this section does not apply if either
6 of the following apply:

7 Sec. ____ Section 902.12, unnumbered paragraph 1,
8 Code 2003, is amended to read as follows:

9 ~~Except as otherwise provided in section 903A.2, a~~ A
10 person serving a sentence for conviction of the
11 following ~~forcible felonies shall serve one hundred~~
12 ~~percent of the maximum term of the person's sentence~~
13 ~~and shall not be released on~~ be denied parole or work
14 ~~release unless the person has served at least one-half~~
15 ~~of the maximum term of the person's sentence:~~

16 Sec. ____ Section 902.12, subsection 5, unnumbered
17 paragraph 2, Code 2003, is amended to read as follows:

18 ~~Except as otherwise provided in section 903A.2, a~~
19 ~~person serving a sentence for conviction under~~
20 6. Vehicular homicide in violation of section
21 707.6A, subsection 1 or 2, shall serve one hundred
22 ~~percent of the maximum term of the person's sentence~~
23 ~~and shall not be released on parole or work release if~~
24 the person was also convicted under section 321.261,
25 subsection 3, based on the same facts or event that
26 resulted in the conviction under section 707.6A,
27 subsection 1 or 2."
28 3. Page 4, line 11, by inserting after the word
29 "of" the following: "and relating to".
30 4. By renumbering as necessary.

SWAIM of Davis

H-1275

1 Amend House File 611 as follows:
2 1. Page 4, by inserting after line 23 the
3 following:
4 "Sec. ____ Section 199.8, Code 2003, is amended by
5 adding by adding the following new subsection:
6 NEW SUBSECTION. 4. It is unlawful for a person to
7 do any of the following:
8 a. Purchase agricultural seed that produces a
9 precision-use crop, unless the person is certified
10 pursuant to section 199A.6.
11 b. Grow a precision-use crop unless the person
12 growing the crop is certified pursuant to section
13 199A.6.
14 Sec. ____ NEW SECTION. 199A.1 DEFINITIONS.
15 As used in this chapter, unless the context
16 otherwise requires:
17 1. "Conventional crop" means a crop other than a
18 precision-use crop.
19 2. "Council" means the crop bio-integrity council
20 as established pursuant to section 199A.3.
21 3. "Crop" means a plant producing grain as defined
22 in section 203.1.
23 4. "Crop seed" means an agricultural seed as
24 defined in section 199.1 that may be used to produce a
25 crop.
26 5. "Department" means the department of
27 agriculture and land stewardship.
28 6. "Genetic modification" means a scientific
29 process that involves changing an organism's original
30 genetic code or modifying enzymes in living cells to
31 cause a specific biochemical reaction, other than by
32 breeding or pollination.
33 7. "Precision-use crop" means a crop originating
34 from genetically modified crop seeds if the crop is

35 designed to be produced for a specific purpose other
36 than for human consumption as food or animal
37 consumption as feed as designated by the United States
38 food and drug administration, or the United States
39 department of agriculture.

40 8. "Precision-use crop farmer" means any of the
41 following:

42 a. A person who regularly and frequently makes or
43 takes an important part in making management decisions
44 substantially contributing to or affecting the success
45 of the farm operation where precision-use crops are
46 produced.

47 b. A person who performs physical work which
48 significantly contributes to the production of
49 precision-use crops.

50 9. "Secretary" means the secretary of agriculture.

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1 10. "Seed labeler" means a person required to
2 label agricultural seed or vegetable seed as provided
3 in section 199.3 or 199.4.

4 11. "Transgenic process" means a form of genetic
5 modification that alters the genetic structure of an
6 organism by inserting a foreign gene into the
7 organism's original genetic code.

8 Sec. NEW SECTION. 199A.2 OFFICE OF CROP
9 BIO-INTEGRITY.

10 The department may establish an office of crop bio-
11 integrity which shall be staffed by personnel as
12 designated by the secretary. If an office is
13 established, the secretary shall appoint a coordinator
14 to head the office. The coordinator may also serve
15 another position in the department. If created, the
16 office shall be the chief administrative unit of the
17 department responsible for the enforcement of this
18 chapter.

19 Sec. NEW SECTION. 199A.3 CROP BIO-INTEGRITY
20 COUNCIL - ESTABLISHMENT.

21 A crop bio-integrity council is established within
22 the department.

23 1. The council shall be composed of the following
24 persons:

25 a. The dean of the college of agriculture, Iowa
26 state university of science and technology, or the
27 dean's designee who shall be a specialist in crop
28 science knowledgeable about microbiology.

29 b. The dean of college of pharmacy, university of
30 Iowa, or the dean's designee who possesses a doctoral
31 degree recognized by the American council of
32 pharmaceutical education from a college of pharmacy
33 approved by the board of pharmacy examiners.

- 34 c. The state entomologist appointed pursuant to
35 section 177A.3.
- 36 d. The administrator of the department's grain
37 warehouse bureau.
- 38 e. Eleven persons appointed by the secretary, who
39 shall include all of the following:
- 40 (1) Four persons who represent a scientific field
41 of study which relates to the following:
- 42 (a) Plant genetics. The person shall have a sound
43 scientific background in transgenic processes.
- 44 (b) Plant toxicology.
- 45 (c) Statistics.
- 46 (d) Pollination and conventional plant breeding
47 techniques and breeding populations.
- 48 (2) Seven farmers who are actively engaged in
49 producing crops. Five farmers shall be producers of
50 genetically modified crops and two farmers shall be

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- 1 producers of conventional crops.
- 2 2. a. The secretary shall accept nominations from
3 organizations representing persons who serve on the
4 council, as determined by the secretary making
5 appointments under this section. The organizations
6 shall at least include the Iowa corn growers
7 association, the Iowa soybean association, the Iowa
8 farm bureau, and the agribusiness association of Iowa.
9 The secretary shall strive to include persons
10 responsible for labeling packages of agricultural
11 seeds as provided in chapter 199.
- 12 b. The appointed members of the council shall
13 serve staggered terms of four years, except that the
14 initial council members shall serve unequal terms as
15 designated by the secretary. A person appointed to
16 fill a vacancy for an appointed member shall serve
17 only for the unexpired portion of the term. An
18 appointed member is eligible for reappointment for
19 three successive terms.
- 20 c. Appointments of members are subject to the
21 requirements of sections 69.16 and 69.16A. In
22 addition, the appointments shall be geographically
23 balanced, unless the secretary determines that this
24 requirement is not feasible.
- 25 d. The secretary may remove an appointed member,
26 if the removal is based on the member's misfeasance,
27 malfeasance, or willful neglect of duty or other just
28 cause, after notice and hearing, unless the notice and
29 hearing is expressly waived in writing.
- 30 4. The council shall meet and elect a chairperson
31 from among its members for a term of one year. The
32 council shall meet on a regular basis and at the call

33 of the chairperson or upon the written request to the
34 chairperson of three or more members. The department
35 shall provide administrative support to the council.

36 The coordinator of the crop bio-integrity office, if
37 appointed, shall serve as secretary to the council.

38 5. A majority of the council constitutes a quorum
39 and an affirmative vote of the majority of members is
40 necessary for substantive action taken by the council.

41 The majority shall not include any member who has a
42 conflict of interest and a statement by a member of a

43 conflict of interest shall be conclusive for this
44 purpose. A vacancy in the membership does not impair
45 the right of a quorum to exercise all rights and
46 perform all duties of the council.

47 Sec. ____ NEW SECTION. 199A.4 CROP BIO-INTEGRITY
48 COUNCIL – DUTIES.

49 The crop bio-integrity council shall assist the
50 department in implementing and administering the

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1 provisions of this chapter. The council shall do all
2 of the following:

3 1. a. Develop and propose a precision-use crop
4 certification program as provided in section 199A.6 as
5 a recommendation to the department. The department
6 shall consider the proposed program and respond to the
7 council in writing if the department fails to accept
8 any significant part of the proposed program. The
9 department shall adopt rules to implement or
10 administer the program only after consultation with
11 the council. The council may provide a short
12 statement providing its opinion regarding a proposed
13 rule in the preamble to the notice of intended action
14 published in the Iowa administrative bulletin pursuant
15 to section 17A.4.

16 b. Receive and evaluate applications from persons
17 seeking to be designated as an instructional service
18 as provided in section 199A.5. The council shall
19 periodically review the performance of the
20 instructional service and make recommendations to the
21 department as required to improve the precision-use
22 crop certification program.

23 2. Develop and propose sound management practices
24 for precision-use crop production as provided in
25 section 199A.7 as a recommendation to the department.
26 The department shall consider the proposed sound
27 management practices and respond to the council in
28 writing if the department fails to accept any
29 significant part of the proposed management practices.
30 The department shall adopt rules to implement or
31 administer sound management practices only after

32 consultation with the council. The council may
33 provide a short statement providing its opinion
34 regarding a proposed rule in the preamble to the
35 notice of intended action published in the Iowa
36 administrative bulletin pursuant to section 17A.4.
37 3. Develop and propose a schedule for civil
38 penalties as provided in section 199A.12 as a
39 recommendation to the department. The council may
40 propose a schedule of penalties for minor and serious
41 violations. The department shall consider the
42 proposed schedule and respond to the council in
43 writing if the department fails to accept any
44 significant part of the proposed schedule. The
45 department shall adopt rules to establish a schedule
46 of civil penalties only after consultation with the
47 council. The council may provide a short statement
48 providing its opinion regarding a proposed rule in the
49 preamble to the notice of intended action published in
50 the Iowa administrative bulletin pursuant to section

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1 17A.4.
2 4. Review and evaluate applications submitted to
3 the department of economic development for financial
4 assistance under the precision-use crop utilization
5 financial assistance program as provided in section
6 15E.113
7 5. Monitor developments in areas related to
8 genetic modifications in crops and especially
9 transgenic processes. The council shall inform and
10 advise the department, other state agencies, and the
11 committees of the general assembly regarding
12 scientific research and proposed or adopted regulatory
13 systems. The council shall cooperate with
14 administrative units of the United States government,
15 business, and educational institutions in carrying out
16 this subsection.
17 Sec. ____ NEW SECTION. 199A.5 PRECISION-USE CROP
18 CERTIFICATION PROGRAM - DESIGNATION OF AN
19 INSTRUCTIONAL SERVICE.
20 The department may designate one or more persons as
21 instructional services which are authorized to
22 administer the precision-use crop certification
23 program as provided in section 199A.6. The person may
24 be a public agency or a private organization. A
25 person shall not be designated as an instructional
26 service unless the person meets qualifications
27 established by the department after consultation with
28 the council as provided in section 199A.4. The person
29 must at least demonstrate that the person has access
30 to facilities necessary in order to provide for the

31 instruction and is managed by individuals who have
32 knowledge of crop production and transgenic processes.
33 The department may immediately cancel a contract with
34 a person who fails to comply with the requirements of
35 the department.

36 Sec. . NEW SECTION. 199A.6 PRECISION-USE CROP
37 CERTIFICATION PROGRAM – REQUIREMENTS.

38 1. The department shall establish and administer a
39 precision-use crop certification program as provided
40 in this section and section 199A.4. A person shall
41 not act as a precision-use crop farmer, unless the
42 person is certified pursuant to the program as
43 administered by the department or an instructional
44 service as provided in section 199A.5. A
45 certification shall expire each two years as provided
46 by the department.

47 2. The person shall be certified after completing
48 an educational program and demonstrating competency in
49 a manner determined by the department in consultation
50 with the council. Continuing educational courses

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1 shall be required as determined by the department in
2 consultation with the council.

3 3. The educational program must at least provide
4 instruction or an examination regarding sound
5 management practices associated with producing
6 precision-use crops, including sound management
7 practices as provided in section 199A.7. The
8 department may adopt rules providing exceptions from
9 these requirements when the requirements are
10 impracticable or do not achieve a substantial benefit
11 when balanced against the cost.

12 4. The department may charge a fee for certifying
13 a person under this section. The fee for
14 certification shall be based on the costs of
15 administering and enforcing the program and paying the
16 expenses of the department relating to certification.

17 Sec. . NEW SECTION. 199A.7 PRECISION-USE CROP
18 PRODUCTION – SOUND MANAGEMENT PRACTICES.

19 1. The department shall establish and enforce
20 sound management practices for precision-use crop
21 production. The practices shall meet applicable
22 standards of the federal government which may include
23 those promulgated by the United States food and drug
24 administration and the United States department of
25 agriculture. The sound management practices shall at
26 least provide methods to reduce risks associated with
27 all of the following:

28 a. Commingling crop seed that may be used to
29 produce a precision-use crop with crop seed that may

- 30 produce a conventional crop.
- 31 b. Commingling grain produced from a precision-use
- 32 crop with grain produced from a conventional crop.
- 33 c. Contamination caused by the unintended transfer
- 34 and incorporation of genetic material between a
- 35 precision-use crop and a conventional crop during
- 36 production.
- 37 2. A person shall not do any of the following:
- 38 a. Sell crop seed that may be used to produce a
- 39 conventional crop if the crop seed is commingled with
- 40 crop seed that may be used to produce a precision-use
- 41 crop.
- 42 b. Sell crop grain that was produced from a
- 43 conventional crop if the crop grain is commingled with
- 44 the crop grain produced from a precision-use crop.
- 45 Sec. __. NEW SECTION. 199A.8 LIABILITY.
- 46 1. A seed labeler who sells crop seed to a
- 47 purchaser is liable for damages as provided in this
- 48 subsection.
- 49 a. The damages must be the result of any of the
- 50 following:

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- 1 (1) Commingling of crop seed that may be used to
- 2 produce a precision-use crop with crop seed that may
- 3 produce a conventional crop.
- 4 (2) Commingling grain produced from a precision-
- 5 use crop with grain produced from a conventional crop.
- 6 (3) Contamination caused by the transfer and
- 7 incorporation of genetic material between a precision-
- 8 use crop and a conventional crop during production.
- 9 b. The seed labeler must have failed to provide
- 10 notice to the purchaser of management practices
- 11 required to provide methods to reduce risks associated
- 12 with commingling or contamination which are in
- 13 addition to sound management practices as provided in
- 14 section 199A.7. The notification must be in writing
- 15 and provided to the purchaser at the time of sale.
- 16 c. The purchaser must be certified pursuant to
- 17 section 199A.6.
- 18 d. The precision-use crop must have produced in
- 19 compliance with sound management practices to reduce
- 20 risks associated with commingling or contamination as
- 21 provided in section 199A.7.
- 22 2. A seed labeler who contracts with a precision-
- 23 use crop farmer to produce a precision-use crop is
- 24 liable for damages as provided in this subsection.
- 25 a. The damages must be the result of any of the
- 26 following:
- 27 (1) Commingling of crop seed that may be used to
- 28 produce a precision-use crop with crop seed that may

29 produce a conventional crop.

30 (2) Commingling grain produced from a precision-
31 use crop with grain produced from a conventional crop.

32 (3) Contamination caused by the transfer and
33 incorporation of genetic material between a precision-
34 use crop and a conventional crop during production.

35 b. The seed labeler must have failed to provide
36 notice to the precision-use crop farmer of management
37 practices required to provide methods to reduce risks
38 associated with commingling or contamination which are
39 in addition to sound management practices as provided
40 in section 199A.7. The notification must be in
41 writing and provided to the precision-use farmer at
42 the time that the contract to produce the precision-
43 use crop is executed.

44 c. The precision-use farmer must be certified
45 pursuant to section 199A.6.

46 d. The precision-use crop must have produced in
47 compliance with sound management practices to reduce
48 risks associated with commingling or contamination as
49 provided in section 199A.7.

50 Sec. __. NEW SECTION. 199A.9 PRECISION-USE CROP

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1 PRODUCTION – GENERAL ENFORCEMENT INVESTIGATIONS AND
2 COMPLIANCE AUDITS.

3 1. The department and the attorney general shall
4 enforce this chapter. The attorney general may
5 commence legal proceedings in district court at the
6 request of the department or upon the attorney
7 general's own initiative in order to enforce this
8 chapter, including rules adopted and orders issued by
9 the department pursuant to this chapter. This chapter
10 does not require the attorney general or the
11 department to institute a proceeding for a minor
12 violation if the department or attorney general
13 concludes that the public interest will be best served
14 by a suitable notice of warning in writing.

15 2. The department may conduct an investigation to
16 determine if a person is complying with the
17 requirements of this chapter.

18 3. The department shall conduct compliance audits
19 of precision-use crop farmers to ensure adoption of
20 and compliance with certification requirements of
21 section 199A.7 and sound management practices of
22 section 199A.8.

23 4. The department may enter upon any public or
24 private premises during regular business hours in a
25 manner consistent with the laws of this state and the
26 United States, including Article I, section 8, of the
27 Constitution of the State of Iowa, or the fourth

28 amendment to the Constitution of the United States for
29 purposes of carrying out an investigation.

30 Sec. ____ NEW SECTION. 199A.10 DISCIPLINARY
31 ACTION.

32 1. The department may take disciplinary action
33 concerning a person who is required to be certified
34 pursuant to section 199A.6 by doing any of the
35 following:

36 a. Issuing a letter of warning or reprimand.

37 b. Suspending or revoking a certification or
38 denying the renewal of certification.

39 2. The disciplinary action must be based upon
40 evidence satisfactory to the department that the
41 person has used fraudulent or deceptive practices in
42 violation of this chapter or has willfully disregarded
43 the requirements of this chapter.

44 Sec. ____ NEW SECTION. 199A.11 STOP SALE ORDER.

45 1. If a person sells commingled crop seed or
46 commingled crop grain in violation of section 199A.7,
47 the department may issue a written order to stop the
48 sale of the crop seed or crop grain. The person named
49 in the order shall not sell the crop seed or crop
50 grain until the department determines that section

Page 9

1 199A.7 has not been violated.

2 2. The department may require that the crop seed
3 or crop grain be held at a designated place until
4 released by the department.

5 3. The department or the attorney general may
6 enforce the order by petitioning the district court in
7 the county where the crop seed or crop grain is being
8 sold.

9 4. The department shall release the crop seed or
10 crop grain when the department issues a release order
11 upon satisfaction that legal requirements compelling
12 the issuance of the stop sale order are no longer
13 applicable.

14 Sec. ____ NEW SECTION. 199A.12 PENALTIES.

15 A person who violates this chapter is subject to a
16 civil penalty of not more than five hundred dollars.
17 Civil penalties shall be assessed by the department
18 pursuant to a contested case proceeding or in district
19 court in an action initiated by the attorney general.
20 Each day that the offense continues constitutes a
21 separate offense. However, a person shall not be
22 subject to a civil penalty of more than five thousand
23 dollars for a continuing offense. Civil penalties
24 collected under this section shall be deposited in the
25 general fund of the state."

26 2. Title page, line 1, by striking the word

27 "and".

28 3. Title page, line 3, by inserting after the
29 word "assistance" the following: ", providing for

30 crop bio-integrity, and providing penalties".

31 4. By renumbering as necessary.

KUHN of Floyd

H-1276

1 Amend Senate File 433, as passed by the Senate, as
2 follows:

3 1. Page 5, by inserting after line 28 the
4 following:

5 "1A. a. Sixteen small business development
6 centers shall be in operation during the fiscal year
7 beginning July 1, 2003.

8 b. The location of the small business development
9 centers and the amount each center shall be allocated
10 from the moneys appropriated in subsection 1 shall be
11 as follows:

12 (1) The Des Moines area community college center
13 at Audubon shall be allocated \$11,708.

14 (2) The Drake university center shall be allocated
15 \$128,976.

16 (3) The eastern Iowa community college center
17 shall be allocated \$75,235.

18 (4) The Indian hills community college center
19 shall be allocated \$58,737.

20 (5) The Iowa central community college center
21 shall be allocated \$51,071.

22 (6) The Iowa lakes community college center shall
23 be allocated \$54,349.

24 (7) The Iowa state university center shall be
25 allocated \$106,408.

26 (8) The Iowa western community college center
27 shall be allocated \$48,000.

28 (9) The Kirkwood community college center shall be
29 allocated \$51,071.

30 (10) The Dubuque area chamber of commerce shall be
31 allocated \$56,422.

32 (11) The north Iowa area community college center
33 shall be allocated \$54,974.

34 (12) The southeastern community college center
35 shall be allocated \$32,000.

36 (13) The southwestern community college center
37 shall be allocated \$51,071.

38 (14) The university of Iowa center shall be
39 allocated \$92,896.

40 (15) The university of northern Iowa center shall

41 be allocated \$90,348.

42 (16) The western Iowa technical community college
43 center shall be allocated \$51,925.

44 1B. a. There is appropriated from the general
45 fund of the state to the Iowa state university of
46 science and technology for the fiscal year beginning
47 July 1, 2003, and ending June 30, 2004, the following
48 amount, or so much thereof as is necessary, to be used
49 as matching moneys for small business development
50 centers:

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1 \$ 250,000

2 b. The moneys appropriated under this subsection
3 shall be deposited in a separate and distinct account
4 by Iowa state university of science and technology.

5 c. A small business development center may receive
6 \$1 of matching moneys from the moneys appropriated
7 under this subsection for every \$2 in cash that the
8 center receives from local governmental entities and
9 private sources. A center shall receive matching
10 moneys in an amount equal to not more than one-half of
11 the difference of the allocation the center received
12 from Iowa state university for the fiscal year
13 beginning July 1, 2001, less the allocation provided
14 in subsection 1A, paragraph "b".

15 d. On or before December 31, 2003, a small
16 business development center shall demonstrate to Iowa
17 state university, in a manner required by the
18 university, the amount of cash received from local
19 governmental entities and private sources which
20 qualify for matching moneys. By January 7, 2004, Iowa
21 state university shall, if the total amount of
22 matching moneys to be distributed is less than
23 \$250,000, distribute matching moneys to the eligible
24 centers. If the total amount of matching moneys
25 applied for by the centers is more than \$250,000, Iowa
26 state university shall distribute the matching moneys
27 to the eligible centers on a pro rata basis based on
28 allocations provided in subsection 1A, paragraph "b",
29 not to exceed the maximum amount for a center as
30 determined pursuant to paragraph "c" of this
31 subsection.

32 e. By January 12, 2004, Iowa state university
33 shall submit a written report to the general assembly
34 regarding the total amount of matching moneys
35 distributed listed by small business development
36 center."

37 2. By renumbering as necessary.

H-1278

1 Amend House File 663 as follows:

2 1. Page 1, by inserting after line 25 the
3 following:

4 "Sec. ____ **NEW SECTION. 298.2A PHYSICAL PLANT**
5 **AND EQUIPMENT LEVY STATE FUND – DISTRIBUTION.**

6 1. A physical plant and equipment levy state fund
7 is created as a separate and distinct fund in the
8 state treasury under the control of the department of
9 education. Moneys in the fund include revenues
10 deposited into the fund pursuant to subsection 2,
11 appropriations made to the fund, and other moneys
12 deposited into the fund. Any moneys disbursed from
13 the fund shall be used as provided in section 298.3.

14 2. For the school budget year beginning July 1,
15 2004, and for each succeeding budget year, the county
16 treasurer shall remit to the department of education
17 for deposit into the physical plant and equipment levy
18 state fund the property tax revenues received from the
19 collection during the school budget year of the
20 regular physical plant and equipment levy.

21 3. The amount deposited in the physical plant and
22 equipment levy state fund in a budget year shall be
23 distributed as follows:

24 a. A school district that imposed during the
25 budget year beginning July 1, 2003, the regular
26 physical plant and equipment levy and that has an
27 infrastructure tax capacity per student above the
28 guaranteed school infrastructure amount shall receive
29 an amount equal to the amount raised by its regular
30 physical plant and equipment levy.

31 b. (1) A school district that imposed during the
32 budget year beginning July 1, 2003, the regular
33 physical plant and equipment levy and that has an
34 infrastructure tax capacity per student below its
35 guaranteed school infrastructure amount shall receive
36 an amount equal to the amount raised by its regular
37 physical plant and equipment levy plus an amount equal
38 to its supplemental school infrastructure amount.

39 (2) A school district that did not impose during
40 but imposed after the budget year beginning July 1,
41 2003, the regular physical plant and equipment levy
42 shall receive an amount equal to the amount raised by
43 the regular physical plant and equipment levy, not to
44 exceed its guaranteed school infrastructure amount.
45 However, if the amount raised is less than its
46 guaranteed school infrastructure amount, the district
47 shall receive an additional amount equal to its
48 supplemental school infrastructure amount.

49 (3) A school district that had not imposed during
50 the prior budget year the regular physical plant and

Page 2

1 equipment levy shall receive an amount equal to the
2 amount raised by the regular physical plant and
3 equipment levy not to exceed its guaranteed school
4 infrastructure amount. However, if the amount raised
5 is less than its guaranteed school infrastructure
6 amount, the district shall receive an additional
7 amount equal to its supplemental school infrastructure
8 amount.

9 (4) The amount distributed under this paragraph
10 "b" which a school district receives shall not exceed
11 the guaranteed school infrastructure amount. A school
12 district qualifying for a supplemental school
13 infrastructure amount pursuant to this paragraph "b"
14 shall not receive more than the guaranteed school
15 infrastructure amount in any subsequent year.

16 4. a. The department of education by June 1
17 preceding each budget year shall compute the
18 guaranteed school infrastructure amount for each
19 school district, each school district's infrastructure
20 tax capacity per student, the statewide tax revenues
21 per student, and the supplemental school
22 infrastructure amount for the coming budget year.

23 b. For purposes of distributions under subsection
24 2:

25 (1) "Guaranteed school infrastructure amount"
26 means for a school district the statewide tax revenues
27 per student, multiplied by the quotient of the regular
28 physical plant and equipment levy rate per thousand
29 dollars imposed in the school district, divided by
30 thirty-three cents per thousand dollars.

31 (2) "Infrastructure tax capacity per student"
32 means for a school district the estimated amount of
33 revenues that a school district receives or would
34 receive if the regular physical plant and equipment
35 levy of thirty-three cents per thousand dollars is
36 imposed divided by the school district's actual
37 enrollment as determined in section 257.6, subsection
38 1.

39 (3) "Statewide tax revenues per student" means the
40 amount determined by estimating the total revenues
41 that would be generated by a regular physical plant
42 and equipment levy of thirty-three cents per thousand
43 dollars if imposed by all the school districts during
44 the budget year and dividing this estimated revenue
45 amount by the sum of the combined actual enrollment
46 for all school districts as determined in section
47 257.6, subsection 1.

48 (4) "Supplemental school infrastructure amount"
49 means the guaranteed school infrastructure amount for
50 the school district less the amount raised by its

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1 regular physical plant and equipment levy.
2 5. In the case of a deficiency in the fund to pay
3 the supplemental school infrastructure amounts in
4 full, the amount available in the fund less the amount
5 raised by the regular levy attributed to each school
6 district should be allocated based on the proportion
7 of actual enrollment in the district to the combined
8 actual enrollment of the school districts that qualify
9 for the supplemental school infrastructure amount.
10 6. A school district with less than two hundred
11 fifty actual enrollment or less than one hundred
12 actual enrollment in the high school shall not expend
13 the supplemental school infrastructure amount received
14 for new construction or for payments for bonds issued
15 for new construction against the supplemental school
16 infrastructure amount without prior application to the
17 department of education and receipt of a certificate
18 of need pursuant to this subsection. However, a
19 certificate of need is not required for the payment of
20 outstanding bonds issued for new construction pursuant
21 to section 296.1, before April 1, 2003. A
22 certification of need is also not required for
23 repairing schoolhouses or buildings, equipment,
24 technology, or transportation equipment for
25 transporting students as provided in section 298.3, or
26 for construction necessary for compliance with the
27 federal Americans With Disabilities Act pursuant to 42
28 U.S.C. § 12101-12117. In determining whether a
29 certificate of need shall be issued, the department
30 shall consider all of the following:
31 a. Enrollment trends in the grades that will be
32 served at the new construction site.
33 b. The infeasibility of remodeling,
34 reconstructing, or repairing existing buildings.
35 c. The fire and health safety needs of the school
36 district.
37 d. The distance, convenience, cost of
38 transportation, and accessibility of the new
39 construction site to the students to be served at the
40 new construction site.
41 e. Availability of alternative, less costly, or
42 more effective means of serving the needs of the
43 students.
44 f. Any other criteria deemed appropriate as set by
45 rules of the state board of education.
46 7. This section does not apply to the collection
47 and distribution of any voter-approved physical plant
48 and equipment levy."
49 2. Title page, line 4, by inserting after the
50 word "purposes" the following: "and the regular

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1 physical plant and equipment levies".

WENDT of Woodbury

H-1279

1 Amend House File 666 as follows:

2 1. Page 1, by inserting after line 5 the
3 following:

4 "Sec. __. EFFECTIVE DATE PROVISION. This Act
5 takes effect on the date the general assembly notifies
6 the department of revenue and finance of a reduction
7 in or the elimination of a specific service or program
8 funded by an appropriation from the general fund of
9 the state that will at least offset the estimated
10 future revenue loss to the general fund of the state
11 as a result of the implementation of this Act."

12 2. Title page, line 2, by inserting after the
13 word "center" the following: "and including an
14 effective date".

JOCHUM of Dubuque
SHOULTZ of Black Hawk

H-1286

1 Amend House File 663 as follows:

2 1. Page 1, line 34, by striking the word and
3 figures "December 31, 2022" and inserting the
4 following: "June 30, 2013".

5 2. Page 5, line 21, by striking the word and
6 figures "December 31, 2022" and inserting the
7 following: "June 30, 2013".

8 3. Page 13, line 7, by striking the figure "2023"
9 and inserting the following: "2013".

10 4. Page 13, by inserting after line 8 the
11 following:

12 "Sec. __. NEW SECTION. 422F.1 SCHOOL
13 MISCELLANEOUS INCOME FUND – STATE SALES TAX REVENUES.

14 1. A school miscellaneous income fund is created
15 as a separate and distinct fund in the state treasury
16 under the control of the department of revenue and
17 finance. Moneys in the fund include revenues
18 appropriated to the fund as provided in subsection 2
19 and other moneys deposited into or appropriated to the
20 fund.

21 2. For the fiscal year beginning July 1, 2013, and
22 for each subsequent fiscal year, there is appropriated
23 from the general fund of the state to the school
24 miscellaneous income fund an amount equal to the

25 amount raised during the fiscal year by a one percent
26 sales tax pursuant to chapter 422, division IV.

27 3. The moneys in the school miscellaneous income
28 fund shall be distributed during the fiscal year to
29 each school district on a per pupil basis. The amount
30 per pupil shall be determined by dividing the total
31 amount in the fund by the combined actual enrollment
32 for all school districts in the state. The actual
33 enrollment for each school district is the actual
34 enrollment figures reported by October 1 to the
35 department of management by the department of
36 education pursuant to section 257.6, subsection 1.
37 The combined actual enrollment count shall be
38 forwarded to the department of revenue and finance by
39 March 1, annually, for purposes of supplying estimated
40 tax payment figures and making estimated tax payments
41 pursuant to section 422F.2 for the following fiscal
42 year.

43 Sec. __. NEW SECTION. 422F.2 DISTRIBUTION OF
44 FUND MONEYS.

45 1. The director of revenue and finance by August
46 15 of each fiscal year shall send to each school
47 district an estimate of the amount of moneys from the
48 school miscellaneous income fund each school district
49 will receive for the year and for each month of the
50 year. At the end of each month, the director may

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1 revise the estimates for the year and remaining
2 months.

3 2. The director shall remit ninety-five percent of
4 the estimated distributions for the school district to
5 the school district on or before August 31 of the
6 fiscal year and on or before the last day of each
7 following month.

8 3. The director shall remit a final payment of the
9 remainder of distributions due for the fiscal year
10 before November 10 of the next fiscal year. If an
11 overpayment has resulted during the previous fiscal
12 year, the November payment shall be adjusted to
13 reflect any overpayment.

14 4. Moneys received by a school district pursuant
15 to this chapter may be used for any educational
16 purposes for which the school district may spend
17 moneys.

18 Sec. __. NEW SECTION. 422F.3 EFFECTIVE DATE.

19 This chapter takes effect January 1, 2013."

20 5. Title page, line 6, by inserting after the
21 word "purposes" the following: ", and providing for

22 state sales tax revenues to be used for school
23 educational purposes,".

HOGG of Linn

H-1289

- 1 Amend Senate File 297, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. By striking page 18, line 35, through page 20,
- 4 line 1.
- 5 2. By striking page 46, line 7, through page 47,
- 6 line 18.
- 7 3. Page 62, by inserting after line 16 the
- 8 following:
- 9 "Sec. ____ Section 321G.22, Code 2003, is
- 10 repealed."
- 11 4. By renumbering as necessary.

HOGG of Linn

H-1292

- 1 Amend Senate File 433, as passed by the Senate, as
- 2 follows:
- 3 1. Page 10, by inserting after line 33 the
- 4 following:
- 5 "Sec. ____ SMALL BUSINESS DEVELOPMENT CENTERS
- 6 APPROPRIATION.
- 7 1. There is appropriated from the fund enacted by
- 8 the general assembly during the 2003 legislative
- 9 session and funded with bond sale proceeds of more
- 10 than five hundred million dollars to Iowa state
- 11 university of science and technology for the fiscal
- 12 year beginning July 1, 2003, and ending June 30, 2004,
- 13 the following amount, or so much thereof as is
- 14 necessary, to be used for the purposes designated:
- 15 For sixteen small business development centers:
- 16 \$ 250,000
- 17 2. Of the moneys appropriated in subsection 1,
- 18 \$150,000 shall be allocated for purposes of opening
- 19 three small business development centers previously in
- 20 operation during the fiscal year beginning July 1,
- 21 2001. Any moneys allocated under this subsection and
- 22 not used for the purposes provided under this
- 23 subsection may be allocated and used for the purposes
- 24 provided in subsection 3. If an entity operating a
- 25 small business development center refuses moneys to
- 26 reopen a center, Iowa state university may identify a
- 27 different entity to open a center in the same region
- 28 of the state.
- 29 3. a. Of the moneys appropriated in subsection 1,

30 \$100,000 shall be deposited in a separate and distinct
31 account by Iowa state university.
32 b. A small business development center may receive
33 \$1 of matching moneys from the moneys allocated under
34 this subsection for every \$2 in cash that the center
35 receives from local governmental entities and private
36 sources. A center shall receive matching moneys in an
37 amount equal to not more than twenty-five percent of
38 the difference of the allocation of state and federal
39 moneys the center received from Iowa state university
40 for the fiscal year beginning July 1, 2001, less the
41 state and federal moneys received by the center for
42 the fiscal year beginning July 1, 2003.
43 c. On or before December 31, 2003, a small
44 business development center shall demonstrate to Iowa
45 state university, in a manner required by the
46 university, the amount of cash received from local
47 governmental entities and private sources which
48 qualify for matching moneys. By January 7, 2004, Iowa
49 state university shall, if the total amount of
50 matching moneys to be distributed is equal to or less

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1 than \$100,000, distribute matching moneys to the
2 eligible centers. If the total amount of matching
3 moneys applied for by the centers is more than
4 \$100,000, Iowa state university shall distribute the
5 matching moneys to the eligible centers on a pro rata
6 basis based on the amount of federal and state moneys
7 received by each center for the fiscal year beginning
8 July 1, 2003, not to exceed the maximum amount for a
9 center as determined pursuant to paragraph "b" of this
10 subsection.
11 e. By January 12, 2004, Iowa state university
12 shall submit a written report to the general assembly
13 regarding the total amount of matching moneys
14 distributed listed by small business development
15 center."
16 2. By renumbering as necessary.

STRUYK of Pottawattamie

H-1295

1 Amend House File 488 as follows:
2 1. Page 1, by striking lines 31 through 33, and
3 inserting the following:
4 "5. "Growth plan" means a plan created as provided
5 in chapter 366."
6 2. Page 2, line 21, by inserting after the word
7 "public." the following: "This member shall have

8 expertise in land use planning and matters relating to
9 agriculture and conservation."

10 3. Page 3, by striking line 7, and inserting the
11 following:

12 "a. Review and, if necessary, adopt growth plans
13 submitted for".

14 4. Page 3, by striking line 9, and inserting the
15 following:

16 "b. Keep on file growth plans filed with the
17 board".

18 5. Page 4, by striking lines 16 through 26, and
19 inserting the following:

20 "1. A strategic development committee may be
21 created in a county. Members shall be appointed to
22 the strategic development committee within ninety days
23 after any of the following occurs:

24 a. The county board of supervisors and each city
25 council in the county adopt resolutions calling for
26 appointment of members to the committee and each city
27 files the resolution with the county board of
28 supervisors.

29 b. A petition signed by eligible electors of the
30 county equal in number to at least ten percent of the
31 votes cast in the county for the office of president
32 of the United States or governor at the preceding
33 general election is filed with the county board of
34 supervisors.

35 2. The strategic development committee shall be
36 composed of the".

37 6. Page 5, line 2, by inserting after the word
38 "city." the following: "These members shall have
39 expertise in land use planning and matters relating to
40 agriculture and conservation."

41 7. Page 5, by striking lines 5 and 6, and
42 inserting the following:

43 "4. Two or more contiguous counties may organize
44 as one combined".

45 8. Page 5, line 14, by striking the words
46 "STRATEGIC DEVELOPMENT" and inserting the following:
47 "GROWTH".

48 9. Page 5, line 17, by striking the words
49 "strategic development" and inserting the following:
50 "growth".

Page 2

1 10. Page 5, line 18, by striking the words
2 "strategic development" and inserting the following:
3 "growth".

4 11. Page 5, line 22, by striking the words
5 "strategic development" and inserting the following:
6 "growth".

- 7 12. Page 6, line 12, by striking the words
8 "STRATEGIC DEVELOPMENT" and inserting the following:
9 "GROWTH".
- 10 13. Page 6, line 14, by striking the words
11 "strategic development" and inserting the following:
12 "growth".
- 13 14. Page 6, line 17, by striking the words
14 "strategic development" and inserting the following:
15 "growth".
- 16 15. Page 6, line 20, by striking the words
17 "strategic development" and inserting the following:
18 "growth".
- 19 16. Page 6, line 27, by striking the words
20 "strategic development" and inserting the following:
21 "growth".
- 22 17. Page 6, lines 29 and 30, by striking the
23 words "strategic development" and inserting the
24 following: "growth".
- 25 18. Page 7, line 1, by inserting after the word
26 "hearing." the following: "Notice of the hearing
27 shall also be posted on the internet website of the
28 participating county and of each participating city,
29 if such county or city maintains an internet website."
- 30 19. Page 7, line 5, by striking the words
31 "strategic development" and inserting the following:
32 "growth".
- 33 20. Page 7, line 31, by inserting after the word
34 "forests," the following: "prairies, wetlands, other
35 natural areas,".
- 36 21. Page 8, line 12, by striking the words
37 "STRATEGIC DEVELOPMENT" and inserting the following:
38 "GROWTH".
- 39 22. Page 8, line 15, by striking the words
40 "strategic development" and inserting the following:
41 "growth".
- 42 23. Page 8, line 20, by inserting after the word
43 "hearing." the following: "Notice of the hearing
44 shall also be posted on the internet website of the
45 participating county and of each participating city if
46 such county or city maintains an internet website."
- 47 24. Page 8, line 21, by striking the word and
48 figures "January 1, 2005," and inserting the
49 following: "twenty-four months after the date of the
50 organizational meeting,".

Page 3

- 1 25. Page 8, line 22, by striking the words
2 "strategic development" and inserting the following:
3 "growth".
- 4 26. Page 8, line 26, by striking the words
5 "strategic development" and inserting the following:

6 "growth".
7 27. Page 8, line 28, by striking the words
8 "strategic development" and inserting the following:
9 "growth".
10 28. Page 8, lines 30 and 31, by striking the
11 words "strategic development" and inserting the
12 following: "growth".
13 29. Page 8, line 32, by striking the words
14 "strategic development" and inserting the following:
15 "growth".
16 30. Page 8, by striking lines 33 and 34, and
17 inserting the following: "shall file the plan with
18 the land management planning board."
19 31. Page 9, line 1, by striking the words
20 "strategic development" and inserting the following:
21 "growth".
22 32. Page 9, line 5, by striking the words
23 "strategic development" and inserting the following:
24 "growth".
25 33. Page 9, line 11, by striking the words
26 "strategic development" and inserting the following:
27 "growth".
28 34. Page 9, line 15, by striking the words
29 "strategic development" and inserting the following:
30 "growth".
31 35. Page 10, line 10, by striking the words
32 "strategic development" and inserting the following:
33 "growth".
34 36. Page 10, line 11, by striking the words
35 "strategic development" and inserting the following:
36 "growth".
37 37. Page 10, by striking lines 30 and 31, and
38 inserting the following:
39 "Sec. NEW SECTION. 366.7 PLAN FILED WITH
40 BOARD."
41 38. Page 10, line 32, by striking the words
42 "strategic development" and inserting the following:
43 "growth".
44 39. By striking page 10, line 35, through page
45 11, line 10, and inserting the following: "section
46 366.6 shall be filed with the board within ten days of
47 ratification or approval of the plan."
48 40. Page 11, lines 11 and 12, by striking the
49 words "STRATEGIC DEVELOPMENT" and inserting the
50 following: "GROWTH".

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1 41. Page 11, by striking line 13, and inserting
2 the following:
3 "After a plan has been filed with the board,".
4 42. Page 11, line 20, by striking the words

5 "strategic development" and inserting the following:

6 "growth".

7 43. Page 11, lines 25 and 26, by striking the
8 words "strategic development" and inserting the
9 following: "growth".

10 44. Page 11, line 34, by striking the words
11 "strategic development" and inserting the following:
12 "growth".

13 45. Page 12, line 1, by striking the words
14 "strategic development" and inserting the following:
15 "growth".

16 46. Page 12, by striking lines 6 and 7, and
17 inserting the following: "adoption of a growth plan
18 presented to the board pursuant to section 366.6,
19 subsection 3. The judicial review provisions of this
20 section and".

21 47. Page 12, line 12, by striking the words
22 "strategic development" and inserting the following:
23 "growth".

24 48. Page 12, line 23, by striking the words
25 "strategic development" and inserting the following:
26 "growth".

27 49. Page 13, line 5, by striking the words
28 "strategic development" and inserting the following:
29 "growth".

30 50. Page 13, line 8, by striking the words
31 "strategic development" and inserting the following:
32 "growth".

33 51. Page 13, line 9, by striking the words
34 "strategic development" and inserting the following:
35 "growth".

36 52. Page 13, line 11, by striking the words
37 "strategic development" and inserting the following:
38 "growth".

39 53. Page 13, by striking lines 15 and 16, and
40 inserting the following: "conform to the growth plan.
41 After a growth plan is recorded with the county
42 recorder, all land use decisions made by".

43 54. Page 13, line 19, by striking the words
44 "strategic development" and inserting the following:
45 "growth".

46 55. Page 13, line 22, by striking the words
47 "strategic development" and inserting the following:
48 "growth".

49 56. Page 13, by striking lines 23 through 27.

50 57. Page 13, lines 29 and 30, by striking the

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1 words "strategic development" and inserting the
2 following: "growth".

3 58. Page 13, line 34, by striking the words

- 4 "strategic development" and inserting the following:
5 "growth".
6 59. Page 14, by striking lines 3 through 25.
7 60. Page 14, line 35, by striking the words
8 "strategic development" and inserting the following:
9 "growth".
10 61. Page 17, by striking lines 4 through 6, and
11 inserting the following:
12 "1. Except as otherwise provided in this section,
13 this Act, being deemed of immediate importance, takes
14 effect upon enactment."
15 62. Page 17, by striking line 9.
16 63. By renumbering as necessary.

FALLON of Polk

H-1297

- 1 Amend House File 541 as follows:
2 1. Page 1, by striking lines 4 through 9, and
3 inserting the following:
4 "1. The state registrar shall charge the parent a
5 ten dollar fee one of the following fees for the
6 registration of a certificate of birth ~~and a as~~
7 elected by the parent:
8 a. A registration fee of ten dollars.
9 b. A registration fee of ten dollars and an
10 additional monitoring fee of ten dollars.
11 1A. If the parent elects to pay the additional
12 monitoring fee of ten dollars pursuant to subsection
13 1, paragraph "b", the birth defects institute central
14 registry established pursuant to section 136A.6 shall
15 provide birth defects monitoring of the child until
16 the child reaches one year of age."
17 2. Page 2, by striking lines 2 through 10, and
18 inserting the following:
19 "(1) The ten dollar registration fee for primary
20 and secondary child abuse prevention programs.
21 (2) The additional ten dollar monitoring fee, if
22 elected to be paid by the parent, for the birth
23 defects institute central registry established
24 pursuant to section 136A.6."

HORBACH of Tama

H-1298

- 1 Amend House File 666 as follows:
2 1. Page 1, by inserting after line 5 the
3 following:
4 "This exemption does not apply to a sale unless all
5 of the following conditions are met:

- 6 a. The warehouse or distribution center pays a
7 median wage for hourly, nonmanagement employees
8 working at the warehouse or distribution center of at
9 least twelve dollars per hour.
10 b. The warehouse or distribution center provides
11 at least eighty percent of the cost of a standard
12 medical and dental insurance plan for all full-time
13 employees working at the warehouse or distribution
14 center."

HOGG of Linn

H-1303

- 1 Amend the amendment, H-1264, to Senate File 433, as
2 passed by the Senate, as follows:
3 1. Page 1, by inserting after line 14 the
4 following:
5 "____. Page 12, by inserting after line 25 the
6 following:
7 "Sec. ____ NEW SECTION. 15.115 ACCOUNTABILITY.
8 1. If the department of economic development
9 determines that a recipient of financial assistance in
10 the form of a tax credit under a program administered
11 by the department of economic development has not met
12 performance measures and benchmarks developed by the
13 department, the department of economic development
14 shall notify the department of revenue and finance.
15 Upon notification, the department of revenue and
16 finance shall initiate an investigation of the failure
17 of the recipient to achieve the performance measures
18 and benchmarks. If the department of revenue and
19 finance determines that the performance and benchmarks
20 were not met by the recipient, the department of
21 revenue and finance shall initiate proceedings to
22 recover state taxes received by the recipient.
23 2. Any state taxes recovered by the department of
24 revenue and finance shall be deposited in the state
25 tax recovery fund. The state tax recovery fund shall
26 be established in the state treasury under the control
27 of the department of revenue and finance. Moneys in
28 the fund are appropriated to the department of revenue
29 and finance for purposes of initiating investigations
30 and recovery proceedings under this section. On June
31 30 of each fiscal year, any unobligated moneys
32 remaining in the fund shall be deposited in a fund
33 enacted by the general assembly during the 2003
34 legislative session and funded with bond sale proceeds

- 35 totaling more than five hundred million dollars.""
36 2. By renumbering as necessary.

SHOULTZ of Black Hawk
JOCHUM of Dubuque

H-1307

- 1 Amend House File 667 as follows:
2 1. Page 22, line 11, by striking the figure
3 "5,482,793" and inserting the following: "5,912,793".

OSTERHAUS of Jackson

H-1320

- 1 Amend House File 169 as follows:
2 1. By striking everything after the enacting
3 clause and inserting the following:
4 "Section 1. Section 97B.52A, subsection 1,
5 paragraph c, Code 2003, is amended to read as follows:
6 c. For a member whose first month of entitlement
7 is July 2000 or later, the member does not return to
8 any employment with a covered employer until the
9 member has qualified for at least one calendar month
10 of retirement benefits, and the member does not return
11 to covered employment until the member has qualified
12 for no fewer than four calendar months of retirement
13 benefits. For purposes of this paragraph, effective
14 July 1, 2000, any employment with a covered employer
15 does not include employment as an elective official or
16 member of the general assembly if the member is not
17 covered under this chapter for that employment. For
18 purposes of this paragraph, covered employment does
19 not include employment by a public hospital or as a
20 peace officer as defined in section 97A.1, police
21 officer, or fire fighter.
22 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
23 immediate importance, takes effect upon enactment."
24 2. Title page, line 2, by inserting after the
25 word "system" the following: "and providing an
26 effective date".

DRAKE of Pottawattamie

H-1321

- 1 Amend House File 567, as passed by the House, as
2 follows:
3 1. Page 1, by inserting before line 1 the
4 following:
5 "Section 1. Section 455B.307A, subsection 3, Code

6 2003, is amended to read as follows:

7 3. A person who violates this section is subject
8 to a civil penalty ~~not to exceed of not less than~~ five
9 hundred dollars but not more than one thousand dollars
10 for each violation."

11 2. Page 1, line 1, by inserting after the figure
12 "455B.307B" the following: "ENVIRONMENTAL HEALTH
13 DIRECTOR OR OTHER".

14 3. Page 1, by striking lines 3 through 17 and
15 inserting the following:

16 "1. The board of health of each county and each
17 city that has a board of health may, under the
18 provisions of sections 137.6 and 137.7, grant the
19 environmental health director or other environmental
20 health specialist the power to enforce the provisions
21 of sections 455B.307A and 455B.363 and local littering
22 ordinances. These powers shall be in addition to any
23 other duties and responsibilities assigned to the
24 environmental health director or other environmental
25 health specialist by the board of health. The
26 environmental health director or other environmental
27 health specialist may enter upon any public land
28 within the local board of health's jurisdiction at any
29 time for the performance of their duties under this
30 section, and may hire the labor and equipment
31 necessary subject to the approval of the board of
32 health."

33 4. Page 1, line 19, by striking the words "a
34 county" and inserting the following: "an
35 environmental health director or other".

36 5. Page 1, line 20, by inserting after the word
37 "the" the following: "environmental health director's
38 or other".

39 6. Page 1, line 23, by inserting after the word
40 "an" the following: "environmental health director or
41 other".

42 7. Page 1, line 24, by inserting after the word
43 "the" the following: "environmental health director
44 or other".

45 8. Title page, line 1, by striking the word
46 "county" and inserting the following: "local
47 environmental health directors and other".

48 9. By renumbering, relettering, or redesignating
49 and correcting internal references as necessary.

Senate Amendment

H-1326

1 Amend Senate File 313, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, line 10, by inserting after the word

- 4 "bargaining" the following: "agreements".
5 2. Page 1, line 33, by striking the words "total
6 compensation, including".
7 3. Page 1, line 35, by inserting after the word
8 "employment" the following: ", including such
9 information filed with the board pursuant to section
10 20.29".
11 4. Page 3, line 2, by striking the word
12 "causing", and inserting the following: "causing;
13 The complaining party shall cause".
14 5. By striking page 6, line 11, through page 7,
15 line 10.
16 6. Page 7, lines 27 through 29, by striking the
17 words "and shall make minutes or summaries of
18 subsequent sessions available to the public".
19 7. Page 8, line 2, by striking the word
20 "bargaining", and inserting the following:
21 "arbitration".
22 8. Page 8, line 3, by striking the figure
23 "20.16A", and inserting the following: "20.22,
24 subsection 9".
25 9. Page 9, by striking line 10 and inserting the
26 following:
27 "b. If the ~~public employer is a community college,~~
28 ~~the~~".
29 10. Page 9, line 15, by striking the words "then,
30 in", and inserting the following: "In".
31 11. Page 10, by inserting after line 24 the
32 following:
33 "Sec. ____ Section 20.20, Code 2003, is amended to
34 read as follows:
35 20.20 MEDIATION.
36 In the absence of an impasse agreement negotiated
37 pursuant to section 20.19 or the failure of either
38 party to utilize its procedures, one hundred twenty
39 days prior to the certified budget submission date, or
40 one hundred twenty days prior to May 31 of the year
41 when the collective bargaining agreement is to become
42 effective if public employees represented by the
43 employee organization are teachers licensed under
44 chapter 272 and the public employer is a school
45 district or area education agency, the board shall,
46 upon the request of either party, appoint an impartial
47 and disinterested person to act as mediator. If the
48 public employer is a community college, and in the
49 absence of an impasse agreement negotiated pursuant to
50 section 20.19 or the failure of either party to

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- 1 utilize its procedures, one hundred twenty days prior
2 to May 31 of the year when the collective bargaining

3 agreement is to become effective, the board, upon the
4 request of either party, shall appoint an impartial
5 and disinterested person to act as mediator. It shall
6 be the function of the mediator to bring to the
7 attention of the parties the arbitration factors
8 enumerated in section 20.22, subsection 9, and to
9 bring the parties together to effectuate a settlement
10 of the dispute, but, ~~However,~~ the mediator may not
11 compel the parties to agree."

12 12. Page 10, line 25, by striking the word and
13 figure "paragraph 1", and inserting the following:
14 "paragraphs 1 and 2".

15 13. Page 10, line 26, by striking the word "is",
16 and inserting the following: "are".

17 14. Page 10, lines 31 and 32, by striking the
18 words "request the board to issue subpoenas." and
19 inserting the following: "~~request the board to issue~~
20 subpoenas to compel the attendance of witnesses and
21 the production of records. The fact-finder may
22 petition the district court at the seat of government
23 or of the county in which the hearing is held to
24 enforce the subpoena."

25 15. Page 10, line 33, by striking the words "the
26 dispute", and inserting the following: "~~the dispute~~
27 each impasse item".

28 16. Page 10, line 34, by striking the word
29 "~~bargaining~~", and inserting the following:
30 "arbitration".

31 17. Page 10, line 35, by striking the figure
32 "~~20.16A~~", and inserting the following: "20.22,
33 subsection 9".

34 18. Page 10, line 35, through page 11, line 1, by
35 striking the words "day of appointment" and inserting
36 the following: "~~day of appointment~~ date of the
37 hearing".

38 19. Page 11, line 1, by inserting after the word
39 "findings" the following: "and recommendations".

40 20. Page 11, by inserting after line 2 the
41 following:

42 "The Upon receipt of the fact-finder's findings and
43 recommendations, the public employer and the certified
44 employee organization shall immediately accept the
45 fact-finder's recommendation recommendations in their
46 entirety or shall within five days submit the fact-
47 finder's recommendations to the governing body of the
48 public employer and members of the certified employee
49 organization for such acceptance or rejection. If the
50 dispute is not resolved by both parties' acceptance of

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1 the fact-finder's recommendations, the parties may
2 continue to negotiate and resolve any remaining
3 impasse items. If the dispute continues ten days
4 after the report is submitted fact-finder's findings
5 and recommendations are served, the report findings
6 and recommendations shall be made public by the
7 board."

8 21. Page 11, line 7, by striking the word "or,"
9 and inserting the following: "~~or~~, and".

10 22. Page 12, by striking lines 30 through 34 and
11 inserting the following: "amended to read as follows:

12 9. The ~~panel of arbitrators~~ arbitrator shall
13 consider, in addition to any other relevant factors,
14 the following factors:

15 a. Past collective bargaining contracts between
16 the parties including the bargaining that led up to
17 such contracts.

18 b. Comparison of wages, hours and conditions of
19 employment of the involved public employees with those
20 of other public employees doing comparable work,
21 giving consideration to factors peculiar to the area
22 and the classifications involved.

23 c. The interests and welfare of the public, the
24 ability of the public employer to finance economic
25 adjustments and the effect of such adjustments on the
26 normal standard of services.

27 d. ~~The power of the public employer to levy taxes~~
28 ~~and appropriate funds for the conduct of its~~
29 ~~operations. The ability of the public employer to~~
30 finance economic adjustments; provided, however, that
31 the employer's ability to finance economic adjustments
32 shall not be predicated on the premise that the
33 employer may increase or impose new taxes, fees, or
34 charges, use funds collected and otherwise dedicated
35 by law for a restricted purpose, or develop other
36 sources of revenue.

37 e. The present and anticipated future economic
38 conditions that may impact the financing of economic
39 adjustments, including consideration of the public
40 employer's financial condition and the general
41 economic condition of the state.

42 f. Consideration of the economic cost of each item
43 of a proposed collective bargaining agreement and the
44 relationship of the cost of each item to the total
45 economic cost of a proposed collective bargaining
46 agreement."

47 23. Page 14, by inserting after line 6 the
48 following:

49 "Sec. ____ Section 20.29, Code 2003, is amended by
50 adding the following new unnumbered paragraph:

Page 4

1 NEW UNNUMBERED PARAGRAPH. Within ninety days of
2 the completion of a collective bargaining agreement
3 entered into pursuant to this chapter, the public
4 employer shall file two copies of the agreement with
5 the board. In addition, within the same time period,
6 the public employer and the applicable certified
7 employee organization shall file with the board,
8 either jointly or separately, a report on a form
9 prescribed by the board which shall include the number
10 of employees covered by the agreement, the estimated
11 costs of implementing the wage, benefit, and other
12 provisions of the agreement having an economic impact,
13 the estimated total cost of implementing the agreement
14 for the entire term of the agreement, and any other
15 information relating to the agreement as requested by
16 the board."
17 24. By renumbering, relettering, or redesignating
18 and correcting internal references as necessary.

Committee on Commerce, Regulation and Labor

H-1338

1 Amend the amendment, H-1326, to Senate File 313, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 3, by striking lines 27 through 29 and
5 inserting the following:
6 "d. The power of the public employer to ~~levy taxes~~
7 ~~and~~ appropriate funds for the conduct of its
8 operations.
9 e. The ability of the public employer to".
10 2. Page 3, line 37, by striking the letter "e",
11 and inserting the following: "f"
12 3. Page 3, line 42, by striking the letter "f",
13 and inserting the following: "g."
14 4. By renumbering as necessary.

WISE of Lee

H-1339

- 1 Amend Senate File 439, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 10, line 12, by striking the figure
- 4 "1,138,166" and inserting the following: "1,000,000".
- 5 2. Page 12, lines 30 and 31, by striking the
- 6 words "in this section, the department of corrections"
- 7 and inserting the following: "for the department of
- 8 corrections, the department".
- 9 3. Page 21, line 27, by striking the figure
- 10 "1,780,186" and inserting the following: "1,818,352".
- 11 4. Page 22, line 9, by striking the figure
- 12 "37,239,586" and inserting the following:
- 13 "37,339,586".

HORBACH of Tama
LUKAN of Dubuque

H-1340

- 1 Amend House File 677 as follows:
- 2 1. Page 11, by inserting after line 33 the
- 3 following:
- 4 "Sec. ____ EFFECTIVE DATE PROVISION. This Act
- 5 takes effect on the date the general assembly notifies
- 6 the department of revenue and finance of a reduction
- 7 in or the elimination of a specific service or program
- 8 funded by an appropriation from the general fund of
- 9 the state that will at least offset the estimated
- 10 future revenue loss to the general fund of the state
- 11 as a result of the implementation of this Act."
- 12 2. Title page, line 3, by inserting after the
- 13 word "program" the following: "and including an
- 14 effective date".

JOCHUM of Dubuque

H-1341

- 1 Amend House File 679 as follows:
- 2 1. Page 5, by inserting after line 13 the
- 3 following:
- 4 "Sec. ____ EFFECTIVE DATE PROVISION. Section 2 of
- 5 this Act takes effect on the date the general assembly
- 6 notifies the department of revenue and finance of a
- 7 reduction in or the elimination of a specific service
- 8 or program funded by an appropriation from the general
- 9 fund of the state that will at least offset the
- 10 estimated future revenue loss to the general fund of
- 11 the state as a result of the implementation of the
- 12 franchise tax credits in section 2 of this Act."

- 13 2. Title page, line 2, by inserting after the
 14 word "credit" the following: "and including an
 15 effective date".

JOCHUM of Dubuque

H-1351

- 1 Amend House File 663 as follows:
 2 1. Page 11, line 7, by striking the word
 3 "certification" and inserting the following:
 4 "certificate".
 5 2. Page 11, line 14, by inserting after the word
 6 "issued" the following: "or denied".
 7 3. Page 11, by striking lines 26 and 27 and
 8 inserting the following:
 9 "f. The financial condition of the district,
 10 including the effect of the decline of the budget
 11 guarantee and unspent balance.
 12 g. Broad and long-term ability of the district to
 13 support the facility and the quality of the academic
 14 program.
 15 h. Cooperation with other educational entities
 16 including other school districts, area education
 17 agencies, postsecondary institutions, and local
 18 communities."

TYMESON of Madison

H-1356

- 1 Amend the amendment, H-1326, to Senate File 313, as
 2 amended, passed, and reprinted by the Senate, as
 3 follows:
 4 1. Page 3, by striking lines 33 through 36 and
 5 inserting the following: "employer may increase or
 6 impose new taxes."

T. TAYLOR of Linn
 WISE of Lee
 CONNORS of Polk

H-1360

- 1 Amend House File 663 as follows:
 2 1. Page 6, by striking lines 25 through 30 and
 3 inserting following:
 4 "e. The amount of tax receipts credited to the
 5 account within the secure an advanced vision for
 6 education fund maintained in the name of a school
 7 district shall be distributed to that school district
 8 as provided in paragraphs "a", "b", and "c". Any

9 additional moneys available to the school district
10 from the fund shall be determined and distributed as a
11 supplemental school infrastructure amount as provided
12 in section 422E.3A, subsection 3."

13 2. Page 7, line 16, by inserting after the word
14 "fund." the following: "Appropriations made to the
15 fund shall be credited to a separate appropriations
16 account."

17 3. By striking page 7, line 19 through page 10,
18 line 31 and inserting the following:

19 "2. a. For purposes of the distributions in
20 subsection 3, the department of education, in
21 consultation with the departments of management and
22 revenue and finance, shall compute by June 1 preceding
23 each budget year the income surtax capacity, property
24 tax infrastructure capacity, and sales tax capacity
25 for each school district in the state even if the
26 school district is not located in whole or in part in
27 a county that has imposed the local sales and services
28 tax for school infrastructure purposes under this
29 chapter.

30 (1) "Actual enrollment for a school district"
31 means the actual enrollment as reported by October 1
32 to the department of management by the department of
33 education pursuant to section 257.6, subsection 1.

34 (2) "Income surtax capacity" means the estimated
35 amount of revenues that a school district would
36 receive if an income surtax of twenty percent was
37 imposed on the individual income tax liability for the
38 preceding calendar year of individuals residing in the
39 school district divided by the school district's
40 actual enrollment.

41 (2) "Property tax infrastructure capacity" means
42 the sum of a school district's levies under sections
43 298.2 and 298.18 when the levies are imposed to the
44 maximum extent allowable under law in the budget year
45 on property located within the school district divided
46 by the school district's actual enrollment.

47 (3) "Sales tax capacity" means the estimated
48 amount of revenues that a school district receives or
49 would receive if a local sales and services tax for
50 school infrastructure is imposed at one percent

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1 pursuant to this chapter, divided by the school
2 district's actual enrollment.

3 (4) "Tax capacity inequity" means the difference
4 between the highest total tax capacity in the state
5 and a school district's total tax capacity.

6 (5) "Total tax capacity" means the sum of a school
7 district's income surtax capacity plus property tax

8 infrastructure capacity plus sales tax capacity.
9 3. The appropriations credited in a fiscal year to
10 the appropriations account of the secure an advanced
11 vision for education fund shall be distributed as a
12 supplemental school infrastructure amount as follows:
13 a. The department of education shall compute the
14 total tax capacity and the tax capacity inequity of
15 each school district located in the state.
16 b. The department of revenue and finance, in
17 conjunction with the department of education, shall
18 distribute a supplemental school infrastructure amount
19 to each school district that has a tax capacity
20 inequity. The amount of the supplemental school
21 infrastructure amount distributed shall be an equal
22 percentage of the tax capacity inequity to each of
23 such school districts. However, a school district
24 shall not receive more than its tax capacity inequity
25 amount."
26 4. Page 11, line 35, by striking the words and
27 figure "2. paragraph "b"" and inserting the following:
28 "3".

HOGG of Linn

H-1361

1 Amend the amendment, H-1326, to Senate File 313, as
2 amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, by inserting after line 2 the
5 following:
6 "___ Page 1, by inserting before line 1 the
7 following:
8 "Section 1. Section 20.1, unnumbered paragraph 1,
9 Code 2003, is amended to read as follows:
10 The general assembly declares that it is the public
11 policy of the state to promote harmonious and co-
12 operative relationships between government and its
13 employees by permitting public employees to organize
14 and bargain collectively; to protect the citizens of
15 this state by assuring effective and orderly
16 operations of government in providing for their
17 health, safety, and welfare, consistent with each
18 public employer's relevant economic factors regarding
19 the present and anticipated future economic conditions
20 and the employer's ability to finance an agreement
21 under this chapter; to prohibit and prevent all
22 strikes by public employees; and to protect the rights
23 of public employees to join or refuse to join, and to
24 participate in or refuse to participate in, employee
25 organizations.""
26 2. Page 1, by striking lines 19 through 24 and

27 inserting the following:

28 "____. Page 8, lines 1 through 3, by striking the
29 words "which includes consideration of the
30 bargaining factors enumerated in section 20.16A.".

WATTS of Dallas
WISE of Lee

H-1362

1 Amend House File 685 as follows:

- 2 1. Page 6, line 18, by striking the figure
- 3 "\$250,000" and inserting the following: "\$172,000".
- 4 2. Page 6, by inserting after line 20, the
- 5 following:
- 6 "f. Of the funds appropriated in this subsection,
- 7 \$78,000 is allocated to the Iowa correctional
- 8 institution for women at Mitchellville for a value-
- 9 based treatment program."
- 10 3. By renumbering as necessary.

HUSER of Polk
WISE of Lee
PETERSEN of Polk
McCARTHY of Polk

H-1371

1 Amend House File 685 as follows:

- 2 1. Page 4, by striking lines 8 through 12.
- 3 2. Page 5, line 11, by striking the figure
- 4 "2,000,000" and inserting the following: "2,417,473".
- 5 3. Page 5, line 19, by striking the figure
- 6 "187,320" and inserting the following: "381,445".
- 7 4. Page 5, line 26, by striking the figure
- 8 "141,810" and inserting the following: "288,770".
- 9 5. By renumbering as necessary.

THOMAS of Clayton
HUSER of Polk

H-1372

1 Amend House File 685 as follows:

- 2 1. Page 5, line 11, by striking the figure
- 3 "2,000,000" and inserting the following: "2,194,125".
- 4 2. Page 5, line 19, by striking the figure
- 5 "187,320" and inserting the following: "381,455".

HUSER of Polk
THOMAS of Clayton

H-1382

- 1 Amend House File 400, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 13, by inserting after the figure
- 4 "321.11." the following: "The department for parolees
- 5 or the judicial district department of correctional
- 6 services for probationers shall notify the local law
- 7 enforcement agency with jurisdiction over the area
- 8 where the person is paroled or placed on probation and
- 9 the state department of transportation, when the
- 10 person is discharged from parole or probation. Upon
- 11 receipt of the notice that the person is discharged
- 12 from parole or probation the record of information
- 13 generated or maintained pursuant to this section shall
- 14 be expunged by the state department of transportation
- 15 and the local law enforcement agency."

Senate Amendment

H-1388

- 1 Amend House File 685 as follows:
- 2 1. Page 4, line 24, by striking the figure
- 3 "10,000,000" and inserting the following:
- 4 "11,799,557".

SMITH of Marshall
 BERRY of Black Hawk
 HOGG of Linn
 WISE of Lee
 WHITEAD of Woodbury
 KUHN of Floyd
 OSTERHAUS of Jackson
 JOCHUM of Dubuque
 WENDT of Woodbury
 LENSING of Johnson
 GREIMANN of Story

FOEGE of Linn
 WHITAKER of Van Buren
 SWAIM of Davis
 MILLER of Webster
 STRUYK of Pottawattamie
 PETERSEN of Polk
 MERTZ of Kossuth
 FREVERT of Palo Alto
 BELL of Jasper
 COHOON of Des Moines
 OLSON of Boone

H-1390

- 1 Amend House File 686 as follows:
- 2 1. Page 2, by inserting before line 1, the
- 3 following:
- 4 "Sec. ____ Section 403.2, Code 2003, is amended by
- 5 adding the following new subsection:
- 6 NEW SUBSECTION. 3A. It is further found and
- 7 declared that there exists in this state inherent
- 8 limits on the ability of a single municipality to
- 9 effectively pursue economic growth; that the
- 10 allocation of costs related to pursuing economic
- 11 growth and resulting benefits accruing from economic

12 growth do not coincide with the boundaries of a single
13 municipality; that the inefficiency and waste
14 resulting from uncontrolled competition for economic
15 growth among municipalities is not in the public
16 interest; and that it is in the public interest to
17 encourage municipalities to join together and pursue
18 economic growth as a cooperative regional endeavor."

19 2. Page 5, by inserting before line 20 the
20 following:

21 "Sec. ____ Section 403.5, Code 2003, is amended by
22 adding the following new subsection:

23 NEW SUBSECTION. 9. a. A municipality shall not
24 adopt an urban renewal plan on or after July 1, 2003,
25 or shall not adopt an amendment to an urban renewal
26 plan on or after July 1, 2003, unless the municipality
27 is within an economic development region approved by
28 the Iowa department of economic development. The
29 department shall approve an economic development
30 region for purposes of this subsection if it meets the
31 following criteria:

32 (1) The region consists of not less than three
33 contiguous counties.

34 (2) The region establishes a single, focused
35 economic development effort, approved by the
36 department, that shall include the development of a
37 regional economic development plan and regional
38 marketing strategies. Regional marketing strategies
39 must be focused on marketing the region collectively.

40 (3) The regional economic development plan
41 includes provisions for sharing the costs related to
42 pursuing economic growth agreed to by municipalities
43 within the region pursuant to an agreement under
44 chapter 28E.

45 (4) The regional economic development plan
46 includes provisions for sharing the revenues resulting
47 from economic growth agreed to by municipalities
48 within the region pursuant to an agreement under
49 chapter 28E.

50 b. The powers and duties exercised by the

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1 department under this subsection are transferred to
2 the Iowa values board if such a board is created by an
3 enactment of the general assembly."

4 3. By renumbering as necessary.

SHOULTZ of Black Hawk

H-1392

1 Amend the amendment, H-1371, to House File 685 as
2 follows:

- 3 1. Page 1, by striking line 2.

HUSER of Polk

H-1395

- 1 Amend the Senate amendment, H-1369, to House File
2 594, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 1, by inserting after line 27 the
5 following:
6 "___ Page 3, line 13, by inserting after the
7 words "to the fund." the following: "Notwithstanding
8 section 8.33, moneys remaining in the fund at the end
9 of a fiscal year shall not revert to the general fund
10 of the state but are appropriated to the department of
11 human services for the purpose of increasing
12 registered child care inspections.""

PETERSEN of Polk
WISE of Lee

H-1396

- 1 Amend the Senate amendment, H-1369, to House File
2 594, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 1, by striking lines 3 through 7.
5 2. Page 1, by inserting after line 13 the
6 following:
7 "___ Page 1, line 16, by striking the word
8 "twenty-five", and inserting the following: "one
9 hundred".
10 3. Page 1, by inserting after line 22 the
11 following:
12 "___ Page 1, by inserting after line 29 the
13 following:
14 "NEW SUBSECTION. 6. Each electrical and
15 mechanical amusement device required to be registered
16 as provided by this section shall, by January 1, 2006,
17 include on the device a counting mechanism which
18 establishes the volume of business of the device. The
19 department shall have access to the information
20 provided by the counting mechanism."
21 ___ Page 1, line 30, by striking the figure
22 "6.", and inserting the following: "7.""
23 4. By renumbering as necessary.

HEATON of Henry

H-1399

- 1 Amend House File 691 as follows:
2 1. Page 5, line 31, by inserting after the figure
3 "80B.11E" the following: "ACADEMY".
4 2. Page 6, line 1, by inserting after the word
5 "expense" the following: "if such individual is
6 sponsored by a law enforcement agency that either
7 intends to hire or has hired the individual as a law
8 enforcement officer".
9 3. By renumbering as necessary.

HORBACH of Tama

H-1401

- 1 Amend House File 691 as follows:
2 1. Page 11, by inserting after line 7 the
3 following:
4 "DIVISION __
5 LEASED STATE PROPERTY
6 Sec. __. Section 427.1, subsection 1, Code 2003,
7 is amended to read as follows:
8 1. FEDERAL AND STATE PROPERTY. The property of
9 the United States and this state, including state
10 university, university of science and technology, and
11 school lands, except as otherwise provided in this
12 subsection. The exemption herein provided shall not
13 include any real property subject to taxation under
14 any federal statute applicable thereto, but such
15 exemption shall extend to and include all machinery
16 and equipment owned exclusively by the United States
17 or any corporate agency or instrumentality thereof
18 without regard to the manner of the affixation of such
19 machinery and equipment to the land or building upon
20 or in which such property is located, until such time
21 as the Congress of the United States shall expressly
22 authorize the taxation of such machinery and
23 equipment.
24 Sec. __. Section 427.1, subsection 1, Code 2003,
25 is amended by adding the following new unnumbered
26 paragraph:
27 NEW UNNUMBERED PARAGRAPH. Property of the state
28 operated pursuant to section 904.302, 904.705, or
29 904.706 that is leased to an entity other than an
30 entity which is exempt from property taxation under
31 this section shall be subject to property taxation for
32 the term of the lease. Property taxes levied against
33 such leased property shall be paid from the revolving
34 farm fund created in section 904.706. The lessor
35 shall file a copy of the lease with the county
36 assessor of the county where the property is located.

37 Sec.____. Section 904.302, Code 2003, is amended
38 by adding the following new subsection:
39 **NEW SUBSECTION.** 7A. Pay property taxes levied
40 against land leased by the department of corrections
41 or department of human services as provided in section
42 427.1, subsection 1.
43 Sec.____. Section 904.705, unnumbered paragraph 2,
44 Code 2003, is amended to read as follows:
45 The director may with the assistance of the
46 department of natural resources establish and operate
47 forestry nurseries on state-owned land under the
48 control of the department. Residents of the adult
49 correctional institutions shall provide the labor for
50 the operation. Nursery stock shall be sold in

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1 accordance with the rules of the natural resource
2 commission. The department shall pay the costs of
3 establishing and operating the forestry nurseries out
4 of the revolving farm fund created in section 904.706.
5 The department of natural resources shall pay the
6 costs of transporting, sorting, and distributing
7 nursery stock to and from or on state-owned land under
8 the control of the department of natural resources.
9 Receipts from the sale of nursery stock produced under
10 this section shall be divided between the department
11 and the department of natural resources in direct
12 proportion to their respective costs as a percentage
13 of the total costs. However, property taxes due and
14 payable on the land shall be deducted before receipts
15 of sale are divided between the two departments if
16 land subject to this section is leased to an entity
17 other than an entity which is exempt from property
18 taxation under section 427.1. The department shall
19 deposit its receipts in the revolving farm fund
20 created in section 904.706.
21 Sec.____. **APPLICABILITY.** This division of this
22 Act applies to leases entered into on or after July 1,
23 2003."
24 2. By renumbering as necessary.

HORBACH of Tama

H-1402

1 Amend House File 691 as follows:
2 1. By striking page 9, line 23, through page 11,

3 line 7.

4 2. By renumbering as necessary.

BAUDLER of Adair
TJEPKES of Webster
J.R. VAN FOSSEN of Scott
BELL of Jasper
CONNORS of Polk

H-1403

1 Amend House File 679 as follows:

2 1. Page 4, by inserting after line 20 the
3 following:

4 "Sec. . NEW SECTION. 15A.10 JOB RETENTION
5 AGREEMENTS.

6 1. *In order to encourage the retention of existing*
7 *jobs and income that would otherwise be lost, and to*
8 *encourage large employers to remain in the state, an*
9 *agreement under section 260E.3 may include a provision*
10 *to provide training or retraining to existing*
11 *employees. Such an agreement shall provide for the*
12 *following:*

13 a. That the employer must be a person that
14 currently employs at one place of business at least
15 one thousand workers.

16 b. That the employer shall make an investment of
17 at least ten million dollars to retool the workplace
18 and shall make a commitment that the employer shall
19 not move the business operation out of this state or
20 close the business operation until any certificates
21 issued pursuant to section 260E.6 are repaid.

22 c. That the project shall be administered in the
23 same manner as a project under chapter 260E, and may
24 include supplemental new jobs credit from withholding
25 in the same manner as a project under section 15A.7.

26 d. That the new jobs credit from withholding and
27 the supplemental new jobs credit from withholding
28 shall be collected, accounted for, and may be pledged
29 by the community college in the same manner as
30 described in section 260E.5.

31 e. To provide funds for the payment of the costs
32 of the project, a community college may borrow money,
33 issue and sell certificates, and secure the payment of
34 the certificates in the same manner as described in
35 section 260E.6, including, but not limited to,
36 providing the assessment of an annual levy as
37 described in section 260E.6, subsection 4. The
38 program and credits authorized by this section are in
39 addition to, and not in lieu of, the program and
40 credit authorized in chapter 260E.

41 2. A job retention agreement entered into pursuant

42 to this section must be approved by the board of
43 trustees for the applicable community college. The
44 department of economic development shall review the
45 approval by the community college and must also
46 approve the agreement.

47 3. This section is repealed June 30, 2008."

48 2. Title page, by striking lines 1 and 2 and
49 inserting the following: "An Act relating to economic
50 development by modifying the new jobs and income

Page 2

1 program, providing for job retention agreements, and
2 providing a tax credit."
3 3. By renumbering as necessary.

EICHHORN of Hamilton
MILLER of Webster

H-1406

1 Amend House File 686 as follows:

2 1. Page 1, by striking lines 25 through 29, and
3 inserting the following: "local governing bodies to
4 ~~designate areas of a municipality as economic~~
5 ~~development areas for commercial and industrial~~
6 ~~enterprises, public improvements related to housing~~
7 ~~and residential development, or construction of~~
8 ~~housing for low and moderate income families; and that~~
9 ~~it is also necessary to".~~

10 2. Page 2, by inserting before line 1, the
11 following:

12 "Sec. ____ Section 403.4, subsection 1, Code 2003,
13 is amended to read as follows:

14 1. One or more slum, or blighted ~~or economic~~
15 ~~development~~ areas exist in the municipality.

16 Sec. ____ Section 403.5, subsection 1, Code 2003,
17 is amended to read as follows:

18 1. A municipality shall not approve an urban
19 renewal project for an urban renewal area unless the
20 governing body has, by resolution, determined the area
21 to be a slum area, or blighted area, ~~economic~~
22 ~~development area~~ or a combination of those areas, and
23 designated the area as appropriate for an urban
24 renewal project. The local governing body shall not
25 approve an urban renewal plan until a general plan for
26 the municipality has been prepared. For this purpose
27 and other municipal purposes, authority is vested in
28 every municipality to prepare, to adopt and to revise
29 from time to time, a general plan for the physical
30 development of the municipality as a whole, giving due
31 regard to the environs and metropolitan surroundings.

32 A municipality shall not acquire real property for an
33 urban renewal project unless the local governing body
34 has approved the urban renewal project in accordance
35 with subsection 4."

36 3. Page 3, by inserting after line 28, the
37 following:

38 "Sec.____. Section 403.5, subsection 4, paragraph
39 b, subparagraph (2), unnumbered paragraph 2, Code
40 2003, is amended by striking the unnumbered
41 paragraph."

42 4. Page 5, by inserting after line 27, the
43 following:

44 "Sec.____. Section 403.7, Code 2003, is amended to
45 read as follows:

46 403.7 CONDEMNATION OF PROPERTY.

47 A municipality shall have the right to acquire by
48 condemnation any interest in real property, including
49 a fee simple title thereto, which it may deem
50 necessary for or in connection with an urban renewal

Page 2

1 project under this chapter. ~~However, a municipality~~
2 ~~shall not condemn agricultural land included within an~~
3 ~~economic development area unless the owner of the~~
4 ~~agricultural land consents to condemnation or unless~~
5 ~~the agricultural land is to be acquired for industry~~
6 ~~as that term is defined in section 260E.2. A~~
7 municipality may exercise the power of eminent domain
8 in the manner provided in chapter 6B, and Acts
9 amendatory to that chapter or supplementary to that
10 chapter, or it may exercise the power of eminent
11 domain in the manner now or which may be hereafter
12 provided by any other statutory provisions for the
13 exercise of the power of eminent domain. Property
14 already devoted to a public use may be acquired in
15 like manner. However, real property belonging to the
16 state, or any political subdivision of this state,
17 shall not be acquired without its consent, and real
18 property or any right or interest in the property
19 owned by any public utility company, pipeline company,
20 railway or transportation company vested with the
21 right of eminent domain under the laws of this state,
22 shall not be acquired without the consent of the
23 company, or without first securing, after due notice
24 to the company and after hearing, a certificate
25 authorizing condemnation of the property from the
26 board, commission or body having the authority to
27 grant a certificate authorizing condemnation. In a
28 condemnation proceeding, if a municipality proposes to
29 take a part of a lot or parcel of real property, the
30 municipality shall also take the remaining part of the

31 lot or parcel if requested by the owner."

32 5. Page 6, by striking lines 9 through 33, and
33 inserting the following:

34 "Sec. __. Section 403.17, subsection 10, Code
35 2003, is amended by striking the subsection."

36 6. Page 6, by inserting before line 34, the
37 following:

38 "Sec. __. Section 403.17, subsection 23, Code
39 2003, is amended to read as follows:

40 23. "Urban renewal area" means a slum area, or
41 blighted area, ~~economic development area~~, or
42 combination of the areas, which the local governing
43 body designates as appropriate for an urban renewal
44 project.

45 Sec. __. Section 403.17, subsection 25,
46 unnumbered paragraph 1, Code 2003, is amended to read
47 as follows:

48 "Urban renewal project" may include undertakings
49 and activities of a municipality in an urban renewal
50 area for the elimination and for the prevention of the

Page 3

1 development or spread of slums and blight, ~~may include~~
2 ~~the designation and development of an economic~~
3 ~~development area in an urban renewal area~~, and may
4 involve slum clearance and redevelopment in an urban
5 renewal area, or rehabilitation or conservation in an
6 urban renewal area, or any combination or part thereof
7 in accordance with an urban renewal program. The
8 undertakings and activities may include:

9 Sec. __. Section 403.17, subsection 25, paragraph
10 a, Code 2003, is amended to read as follows:

11 a. Acquisition of a slum area, or blighted area,
12 ~~economic development area~~, or portion of the areas;"

13 7. By renumbering as necessary.

FORD of Polk

H-1415

1 Amend House File 683 as follows:

2 1. By striking page 9, line 24, through page 10,
3 line 1.

4 2. By striking page 13, line 32, through page 18,
5 line 16.

6 3. Title page, lines 4 and 5, by striking the
7 words "providing endow Iowa seed grants and endow Iowa
8 tax credits,".

9 4. By renumbering as necessary.

FALLON of Polk

H-1418

- 1 Amend House File 683 as follows:
- 2 1. Page 11, line 34, by inserting after the word
- 3 "with" the following: "the Iowa food policy council
- 4 and".

FALLON of Polk

H-1421

- 1 Amend House File 683 as follows:
- 2 1. Page 15, line 10, by striking the word "this",
- 3 and inserting the following: "the".

FALLON of Polk

H-1422

- 1 Amend House File 683 as follows:
- 2 1. Page 28, line 3, by striking the word "~~solely~~"
- 3 and inserting the following: "solely".
- 4 2. Page 28, line 4, by striking the words "~~or~~
- 5 property tax relief".
- 6 3. By striking page 29, line 18, through page 30,
- 7 line 16, and inserting the following: "indicated in
- 8 the revenue purpose statement and other school
- 9 infrastructure purposes."
- 10 4. Page 33, line 19, by striking the words "~~or~~
- 11 property tax relief".
- 12 5. By renumbering, redesignating, and correcting
- 13 internal references as necessary.

FALLON of Polk

H-1425

- 1 Amend House File 683 as follows:
- 2 1. Page 6, by inserting after line 33 the
- 3 following:
- 4 "8. A business receiving moneys appropriated under
- 5 this section shall agree, for a period of ten years,
- 6 not to close business operations in the state and not
- 7 to move more than forty percent of the business's
- 8 workforce out-of-state. If a business fails to meet
- 9 the requirements of an agreement entered into pursuant
- 10 to this subsection, the business is subject to
- 11 repayment of all or a portion of the moneys received,
- 12 including interest. The agreement shall specify the
- 13 method for determining whether a failure to meet the
- 14 requirements of the agreement has occurred and a
- 15 method for determining the amount of moneys the

16 business must repay."

17 2. Page 11, by inserting after line 26 the
18 following:

19 "4. A business receiving moneys appropriated under
20 this section shall agree, for a period of ten years,
21 not to close business operations in the state and not
22 to move more than forty percent of the business's
23 workforce out-of-state. If a business fails to meet
24 the requirements of an agreement entered into pursuant
25 to this subsection, the business is subject to
26 repayment of all or a portion of the moneys received,
27 including interest. The agreement shall specify the
28 method for determining whether a failure to meet the
29 requirements of the agreement has occurred and a
30 method for determining the amount of moneys the
31 business must repay."

FALLON of Polk

H-1430

1 Amend House File 683 as follows:

2 1. By striking page 3, line 32, through page 4,
3 line 1.

4 2. By renumbering as necessary.

FALLON of Polk

H-1431

1 Amend House File 683 as follows:

2 1. Page 4, by inserting after line 8 the
3 following:

4 "10. A voting member of the board shall recuse
5 themselves from discussion regarding and abstain from
6 voting on providing financial assistance to a project
7 which is located in the county in which the voting
8 member of the board resides."

FALLON of Polk

H-1433

1 Amend House File 683 as follows:

2 1. Page 40, by inserting after line 35 the
3 following:

4 "DIVISION IX
5 STATE AND LOCAL LAND MANAGEMENT AND PLANNING
6 Sec. __. NEW SECTION. 6C.1 TITLE.
7 This chapter shall be known and may be cited as the
8 "Land Management Planning Act".
9 Sec. __. NEW SECTION. 6C.2 LAND DEVELOPMENT AND

10 USE – STATE POLICY ESTABLISHED.

11 It is the policy of this state to provide for the
12 sound and orderly development and use of land and to
13 provide for the protection and preservation of the
14 private and public interest in the land, water, and
15 related resources of this state for the public health,
16 safety, morals, and general welfare of present and
17 future generations. It is further the policy of this
18 state to preserve the use of prime agricultural land
19 for agricultural production and to preserve natural,
20 cultural, and historical areas while striking a
21 balance between legitimate public purposes and private
22 property rights.

23 Sec. ____ NEW SECTION. 6C.3 DEFINITIONS.

24 1. "Agricultural land" means agricultural land as
25 defined in section 9H.1.

26 2. "Board" means the land management planning
27 board established in section 6C.4.

28 3. "Department" means the department of economic
29 development.

30 4. "Public agency" means an agency as defined in
31 section 17A.2, a county, a city, or other political
32 subdivision, including but not limited to a principal
33 department as provided in section 7E.5, a school
34 corporation organized under chapter 273 or 274, a
35 community college as provided in chapter 260C, or a
36 township as provided in chapter 359.

37 5. "Growth plan" means a plan created as provided
38 in chapter 366.

39 Sec. ____ NEW SECTION. 6C.4 LAND MANAGEMENT
40 PLANNING BOARD.

41 1. A land management planning board is established
42 as the state's principal agency overseeing land
43 management planning by cities and counties. The board
44 shall oversee the administration of this chapter, and
45 chapters 366 and 368, monitor the effectiveness of
46 public agencies in carrying out the policy of this
47 state as established in section 6C.2, and study
48 methods to successfully implement the policy.

49 2. The board shall be composed of the following
50 members:

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1 a. One member appointed from a city with a
2 population of more than forty-five thousand, according
3 to the most recent certified federal census.

4 b. One member appointed from a city with a
5 population of forty-five thousand or less, according
6 to the most recent certified federal census.

7 c. One member appointed from a county with a
8 population of more than fifty thousand, according to

9 the most recent certified federal census.

10 d. One member appointed from a county with a
11 population of fifty thousand or less, according to the
12 most recent certified federal census.

13 e. One member appointed to represent the general
14 public. This member shall have expertise in land use
15 planning and matters relating to agriculture and
16 conservation.

17 3. The members shall be appointed by the governor
18 subject to confirmation by the senate as provided in
19 section 2.32. The appointments shall be for six-year
20 staggered terms beginning and ending as provided in
21 section 69.19, or for an unexpired term if a vacancy
22 occurs. No member shall serve more than two complete
23 six-year terms.

24 4. The board shall elect a chairperson each year.

25 5. Members of the board, other than a state
26 officer or employee, are entitled to receive a per
27 diem as specified in section 7E.6 for each day spent
28 in performance of duties as members, and shall be
29 reimbursed for all actual and necessary expenses
30 incurred in the performance of duties as members.

31 6. The department shall provide office space and
32 staff assistance, and shall budget funds to cover
33 expenses of the board and of committees established
34 pursuant to chapter 368. The office of attorney
35 general shall provide legal counsel to the board.

36 Sec. . NEW SECTION. 6C.5 POWERS AND DUTIES OF
37 THE BOARD.

38 1. The board shall do all of the following:

39 a. Review and, if necessary, adopt growth plans
40 submitted for dispute resolution pursuant to section
41 366.6.

42 b. Keep on file growth plans filed with the board
43 pursuant to section 366.7.

44 c. Approve or disapprove petitions for boundary
45 adjustment as provided in chapter 368.

46 d. Establish policies for administration of the
47 land management planning fund created in section 6C.6.

48 e. Establish minimum qualifications for mediators,
49 establish procedures for qualifying and appointing
50 persons representative of the public to be available

Page 3

1 to serve as mediators, maintain a list of qualified
2 mediators, and establish compensation rates for
3 mediators.

4 f. Adopt rules pursuant to chapter 17A necessary
5 to administer its duties under this chapter and
6 chapters 366 and 368. The rules may include
7 establishing filing fees for applications and

8 petitions submitted to the board pursuant to chapter
9 368.

10 2. The board may adopt forms to be completed and
11 submitted by cities and counties as necessary for the
12 efficient administration of this chapter and chapters
13 366 and 368.

14 Sec. NEW SECTION. 6C.6 LAND MANAGEMENT
15 PLANNING FUND.

16 1. A land management planning fund is created
17 within the state treasury under the control of the
18 department. Moneys in the fund shall be used to pay
19 for the costs of administration of this chapter and
20 chapters 366 and 368 by the department.

21 2. The fund shall consist of all of the following:

22 a. Moneys appropriated by the general assembly.

23 b. Moneys available to and obtained or accepted by
24 the department from the federal government or private
25 sources for deposit in the fund.

26 c. Filing fees paid for applications and petitions
27 submitted to the board pursuant to chapter 368.

28 LOCAL GOVERNMENT LAND MANAGEMENT AND PLANNING

29 Sec. NEW SECTION. 366.1 DEFINITIONS.

30 1. "Agricultural land" means agricultural land as
31 defined in section 9H.1.

32 2. "Board" means the land management planning
33 board established in section 6C.4.

34 3. "Department" means the department of economic
35 development.

36 Sec. NEW SECTION. 366.2 LOCAL STRATEGIC
37 DEVELOPMENT COMMITTEE.

38 1. A strategic development committee may be
39 created in a county. Members shall be appointed to
40 the strategic development committee within ninety days
41 after any of the following occurs:

42 a. The county board of supervisors and each city
43 council in the county adopt resolutions calling for
44 appointment of members to the committee and each city
45 files the resolution with the county board of
46 supervisors.

47 b. A petition signed by eligible electors of the
48 county equal in number to at least ten percent of the
49 votes cast in the county for the office of president
50 of the United States or governor at the preceding

Page 4

1 general election is filed with the county board of
2 supervisors.

3 2. The strategic development committee shall be
4 composed of the following members:

5 a. Three members appointed by the county board of
6 supervisors. Two of the three members must be

7 residents of the unincorporated area of the county.

8 b. One member appointed by the city council of
9 each city located in the county.

10 c. One member appointed by the mayor of each of
11 the two cities with the highest population located in
12 the county.

13 d. An additional member shall be appointed by the
14 mayor of each participating city for every fifty
15 thousand residents in the city. These members shall
16 have expertise in land use planning and matters
17 relating to agriculture and conservation.

18 3. A city shall be represented on a committee if
19 any part of the city is located in the county.

20 4. Two or more contiguous counties may organize as
21 one combined strategic development committee. Each
22 county's membership on a combined committee shall be
23 appointed as provided in subsection 2, paragraphs "a"
24 through "d".

25 5. The committee shall hold an organizational
26 meeting no later than ten days after appointment of
27 members. The organizational meeting shall be convened
28 by the chairperson of the county board of supervisors.

29 Sec. __. NEW SECTION. 366.3 GROWTH PLAN –
30 GOALS AND OBJECTIVES.

31 1. The local strategic development committee shall
32 create and recommend a growth plan for the county.

33 2. The purpose of a growth plan is to direct
34 coordinated, efficient, and orderly development that
35 will, based on an analysis of present and future
36 needs, best promote the public health, safety, morals,
37 and general welfare. The goals and objectives of a
38 growth plan include the following:

39 a. Encouraging a pattern of compact development in
40 strategic development areas.

41 b. Promoting redevelopment of existing urban
42 areas.

43 c. Promoting employment opportunities and the
44 economic health of the county and all cities in the
45 county.

46 d. Providing for a variety of housing choices
47 within strategic development areas and assuring
48 affordable housing for future population growth.

49 e. Identifying and conserving natural resource
50 areas, environmentally sensitive land, and features of

Page 5

1 significant local, statewide, or regional
2 architectural, cultural, historical, or archaeological
3 interest.

4 f. Preserving land identified by the strategic
5 development committee as prime agricultural land for

6 use in agricultural production.
7 g. Balancing the need for land management
8 regulations with the protection of private property
9 rights.

10 h. Ensuring the efficient use of infrastructure
11 and that adequate municipal services are provided
12 concurrently with development.

13 i. Taking into consideration such other matters
14 that are related to the coordinated, efficient, and
15 orderly development of the county and all cities in
16 the county.

17 Sec. . NEW SECTION. 366.4 GROWTH PLAN –
18 REQUIREMENTS.

19 1. A growth plan shall divide the county into
20 strategic development areas where future development
21 would be allowed and strategic preservation areas
22 where development would not be allowed. A growth plan
23 shall address transportation, public infrastructure,
24 municipal services, economic development, housing,
25 recreation, natural resources, and land use. A growth
26 plan may address hazard mitigation, energy systems,
27 cultural preservation, and other elements appropriate
28 to the area governed by the plan.

29 2. The committee shall conduct a review of
30 existing comprehensive plans governing the county, if
31 applicable, and governing each city located in the
32 county, if applicable.

33 3. Before the committee drafts a growth plan, the
34 committee shall hold a public hearing in order to
35 obtain citizen input on preparation of the growth
36 plan. The hearing shall be held no later than thirty
37 days after the committee's organizational meeting.
38 The county auditor shall publish notice of the time,
39 date, place, and purpose of the public hearing in a
40 newspaper of general circulation in the county. The
41 notice must be published not less than ten days but no
42 more than twenty days before the hearing. Notice of
43 the hearing shall also be posted on the internet
44 website of the participating county and of each
45 participating city, if such county or city maintains
46 an internet website. The notice shall include a
47 description of the general duties of the strategic
48 development committee and the cities and counties
49 represented on the strategic development committee.

50 4. A growth plan shall include documents

Page 6

1 describing and depicting the corporate limits of each
2 city in the county and the boundaries of each
3 strategic development area and each strategic
4 preservation area.

5 5. a. In establishing a strategic development
6 area, the plan shall do all of the following:

7 (1) Identify territory that a reasonable and
8 prudent person would project as the likely site of
9 commercial, industrial, or residential growth over the
10 next twenty years based on historical experience,
11 economic trends, population growth patterns,
12 topographical characteristics, and any professional
13 planning, engineering, and economic studies that are
14 available. The city shall report population growth
15 projections for the city based upon federal census
16 data.

17 (2) Identify agricultural land which has a corn
18 suitability rating of sixty or higher, according to
19 information released by Iowa state university to the
20 department of revenue and finance for assessment and
21 taxation of agricultural land. Agricultural land with
22 a corn suitability rating of sixty or higher shall not
23 be included in a strategic development area unless the
24 local strategic development committee makes a showing
25 that the land is necessary for the orderly development
26 of the strategic development area.

27 b. In establishing a strategic preservation area,
28 the plan shall identify territory to be preserved for
29 the next twenty years for agricultural purposes,
30 forests, prairies, wetlands, other natural areas,
31 recreational areas, wildlife management areas,
32 cultural areas, historical areas, or other areas
33 planned for preservation.

34 6. When designating that part of a strategic
35 development area contiguous to a city, the committee
36 shall identify, and give consideration to, the amount
37 of territory within the current incorporated
38 boundaries of the city that is vacant or undeveloped
39 land.

40 7. The committee shall utilize planning resources
41 that are available within the county, including city
42 and county planning commissions, zoning
43 administrators, and a council of governments
44 established pursuant to chapter 28H. The committee is
45 also encouraged to utilize the services of a joint
46 planning commission established pursuant to chapter
47 28I and colleges and universities in the state.

48 Sec.____. NEW SECTION. 366.5 LOCAL GOVERNMENT
49 RATIFICATION OF GROWTH PLAN.

50 1. Before the committee submits the plan

Page 7

1 recommended for ratification, the committee shall hold
2 at least one public hearing on the proposed
3 recommended growth plan. The county auditor shall

4 publish notice of the time, place, and purpose of the
5 public hearing in a newspaper of general circulation
6 in the county. The notice must be published at least
7 ten days but no more than twenty days before the
8 hearing. Notice of the hearing shall also be posted
9 on the internet website of the participating county
10 and of each participating city if such county or city
11 maintains an internet website.

12 2. Not later than twenty-four months after the
13 date of the organizational meeting, the committee
14 shall submit the recommended growth plan to the county
15 board of supervisors and the city council of each city
16 in the county.

17 a. Not later than sixty days after receiving the
18 recommended growth plan, the county board of
19 supervisors and each city council shall by resolution
20 either ratify or reject the recommended growth plan.
21 A city or county that fails to timely act on the
22 resolution shall be deemed to have ratified the
23 recommended growth plan on the last day of the sixty-
24 day period. If the growth plan is ratified, the
25 committee shall file the plan with the land management
26 planning board.

27 b. If the county board of supervisors or a city
28 council rejects the recommended growth plan submitted
29 by the committee, the county or city shall submit its
30 objections to the plan along with the notice of
31 rejection. After receiving objections to the plan,
32 the committee may recommend a revised growth plan no
33 later than sixty days after the recommended plan is
34 rejected or may resubmit the original plan. Before
35 the committee submits the revised plan recommended for
36 ratification, the committee shall hold at least one
37 public hearing on the revised plan in the manner
38 provided in subsection 1. The committee shall submit
39 any revised growth plan, or resubmit the original
40 plan, to the county board of supervisors and the city
41 council of each city in the county for ratification.

42 Not later than sixty days after receiving a revised
43 growth plan or resubmitted original plan, the county
44 board of supervisors and each city council shall
45 either ratify or reject the plan in the same manner as
46 provided in paragraph "a". A city or county that
47 fails to timely act on a resolution shall be deemed to
48 have ratified the plan on the last day of the sixty-
49 day period.

50 If the resubmitted original plan or the revised

1 plan is rejected, the county or city rejecting the
2 plan shall submit its objections, and the reasons for

3 its objections, to mediation in accordance with
4 section 366.6.

5 Sec. ____ NEW SECTION. 366.6 MEDIATION OF
6 DISPUTED ISSUES.

7 1. If the county board of supervisors or a city
8 council rejects the resubmitted original plan or the
9 revised plan, the local strategic development
10 committee shall declare the existence of an impasse
11 and shall notify the board.

12 2. Within ten days of receiving notice of the
13 existence of an impasse, the board shall appoint a
14 mediator from the list of mediators maintained
15 pursuant to section 6C.5. The board shall not appoint
16 a person as a mediator if the immediate family of the
17 person or such person's spouse is a resident, property
18 owner, official, or employee of the county or of any
19 city in the county.

20 3. The mediator shall attempt to mediate the
21 unresolved disputes. If, after reasonable efforts,
22 mediation does not resolve such disputes, the mediator
23 shall so notify the board. The mediation process must
24 be concluded within thirty days. The county board of
25 supervisors and the cities may submit final
26 recommendations regarding the impasse to the board.
27 For the sole purpose of resolving the impasse, the
28 board shall adopt a growth plan that resolves those
29 issues in dispute. The growth plan adopted by the
30 board shall conform to the provisions of this chapter.

31 4. In mediating the dispute, the mediator may
32 consult with the university of Iowa, Iowa state
33 university of science and technology, the university
34 of northern Iowa, or others with expertise in urban
35 planning, growth, and development.

36 5. The board shall certify the reasonable and
37 necessary costs incurred by the mediator, including,
38 but not limited to, salaries, supplies, travel
39 expenses, and staff support for the mediator. The
40 county and the cities shall reimburse the board for
41 such costs. The costs shall be divided equally,
42 without regard to population, among the county and the
43 cities in the county.

44 6. If a county or city fails to reimburse its
45 allocated share of mediation costs to the board after
46 sixty days' notice of such costs, the department of
47 revenue and finance shall be notified and shall deduct
48 such costs from such county's or city's allocation
49 under chapter 405A. The amount deducted shall be
50 forwarded to the board.

2 BOARD.

3 A growth plan ratified pursuant to section 366.5 or
4 a plan that has been agreed to by mediation pursuant
5 to section 366.6 or a plan adopted by the board
6 pursuant to section 366.6 shall be filed with the
7 board within ten days of ratification or approval of
8 the plan.

9 Sec. ____ NEW SECTION. 366.8 RECORDING OF GROWTH
10 PLAN.

11 After a plan has been filed with the board, the
12 board shall retain a copy of the plan on file and
13 shall forward a copy to the county auditor who shall
14 record the plan in the office of county recorder no
15 later than five days after receiving the plan from the
16 board.

17 Sec. ____ NEW SECTION. 366.9 DURATION OF PLANS
18 - REVIEW AND AMENDMENT.

19 After a growth plan has been recorded with the
20 county recorder, the plan shall remain in effect for
21 not less than five years absent a showing of
22 extraordinary circumstances necessitating a change in
23 the plan. After expiration of the five-year period,
24 the county or a city in the county may propose an
25 amendment to the growth plan or may propose a review
26 of the plan by filing notice with the county board of
27 supervisors for the county and the city council of
28 each city in the county. Upon receipt of such notice
29 by the county and each city, the county board of
30 supervisors shall promptly reconvene the local
31 strategic development committee. The burden of
32 proving the reasonableness of a proposed amendment to
33 the plan shall be upon the party proposing the
34 amendment. The procedures for amending the growth
35 plan shall be the same as the procedures set forth in
36 this chapter for creating the original growth plan.

37 Sec. ____ NEW SECTION. 366.10 JUDICIAL REVIEW.

38 1. The county, a city in the county, a resident of
39 the county, or an owner of real property located in
40 the county may seek judicial review of a decision of
41 the board relating to adoption of a growth plan
42 presented to the board pursuant to section 366.6,
43 subsection 3. The judicial review provisions of this
44 section and chapter 17A shall be the exclusive means
45 by which a person or party who is aggrieved or
46 adversely affected by action of the board may seek
47 judicial review of the action of the board.

48 2. A petition for judicial review must be filed
49 within sixty days after the growth plan is recorded
50 with the county recorder. In accordance with the Iowa

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1 rules of civil procedure pertaining to service of
2 process, copies of the petition shall be served upon
3 the board.

4 3. The court's review is limited to questions
5 relating to jurisdiction, regularity of proceedings,
6 and whether the action of the board is, by a
7 preponderance of the evidence, arbitrary,
8 unreasonable, or without substantial supporting
9 evidence. The court may nullify an action of the
10 board and return the plan with appropriate directions
11 to the board.

12 4. The filing of a petition for judicial review
13 does not stay the effectiveness of the growth plan or
14 recognition of strategic development areas and
15 strategic preservation areas identified in the plan.
16 However, the court may order a stay upon appropriate
17 terms if it is shown to the satisfaction of the court
18 that any party or the public at large is likely to
19 suffer significant injury if a stay is not granted.
20 If more than one petition for judicial review
21 regarding a single board action is filed, all such
22 petitions shall be consolidated and tried as a single
23 civil action.

24 5. The following portions of section 17A.19 are
25 not applicable to this chapter:

26 a. The portion of subsection 2 relating to where
27 proceedings for judicial review shall be instituted.

28 b. Subsection 5.

29 c. Subsection 8.

30 d. Subsections 10 through 12.

31 Sec. ____ NEW SECTION. 366.11 LOCAL

32 IMPLEMENTATION.

33 1. A city or county governed by a growth plan
34 shall not adopt ordinances regulating land development
35 and management within its territory that are
36 inconsistent with the growth plan governing the
37 territory.

38 2. A county that has approved a growth plan
39 pursuant to this chapter, and any city in such county,
40 shall use the growth plan as the basis for the
41 comprehensive plan required pursuant to section 335.5
42 or 414.3 if the county or city has adopted a zoning
43 ordinance. The county and each city shall amend its
44 comprehensive plan to conform to the growth plan.
45 After a growth plan is recorded with the county
46 recorder, all land use decisions made by the governing
47 body of each city and county and the city's or
48 county's planning commission shall be consistent with
49 the growth plan.

50 3. A city or county is under no obligation to

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1 provide municipal services for development that does
2 not conform to the applicable growth plan.
3 Sec. . **NEW SECTION.** 366.12 STATE AGENCIES.
4 State agencies are encouraged to consider the
5 growth plan governing a locality when carrying out
6 projects relating to, or affecting, land use in the
7 locality. If action taken by a state agency in
8 carrying out a project relating to, or affecting, land
9 use in a locality is not consistent with the growth
10 plan for the locality, the reasons for the action must
11 be explained in writing by the state agency and made a
12 part of the project plans or specifications.

13 **CITY DEVELOPMENT**

14 Sec. . Section 368.1, subsection 3, Code 2003,
15 is amended to read as follows:

16 3. "Board" means the city development land
17 management planning board established in section 368.9
18 6C.4.

19 Sec. . **NEW SECTION.** 368.5A ANNEXATION
20 PROHIBITED – STRATEGIC PRESERVATION AREAS.

21 Beginning January 1, 2006, for territory located in
22 a county governed by a growth plan, only territory
23 contained in a strategic development area may be
24 annexed. The city council or land management planning
25 board shall not approve any application or petition
26 that seeks to annex territory contained in a strategic
27 preservation area. However, a city may annex
28 territory in a strategic preservation area if the city
29 intends to retain the area's designation as a
30 strategic preservation area and if the annexation is a
31 voluntary annexation applied for pursuant to section
32 368.7.

33 Sec. . Section 368.7A, subsection 1, Code 2003,
34 is amended to read as follows:

35 1. The board of supervisors of each affected
36 county shall notify the city development land
37 management planning board of the existence of that
38 portion of any secondary road which extends to the
39 center line but has not become part of the city by
40 annexation and has a common boundary with a city. The
41 notification shall include a legal description and a
42 map identifying the location of the secondary road.
43 The city development land management planning board
44 shall provide notice and an opportunity to be heard to
45 each city in or next to which the secondary road is
46 located. The city development land management
47 planning board shall certify that the notification is
48 correct and declare the road, or portion of the road
49 extending to the center line, annexed to the city as
50 of the date of certification. This section is not

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1 intended to interfere with or modify existing chapter
2 28E agreements on jurisdictional transfer of roads, or
3 continuing negotiations between jurisdictions.
4 Sec.____. Sections 368.9 and 368.10, Code 2003,
5 are repealed.

6 CORRESPONDING AMENDMENTS

7 Sec.____. Section 15.108, subsection 3, paragraph
8 a, subparagraph (2), Code 2003, is amended to read as
9 follows:

10 (2) Provide office space and staff assistance to
11 the ~~city development~~ land management planning board as
12 provided in section ~~368.9~~ 6C.4.

13 Sec.____. Section 331.304, subsection 7, Code
14 2003, is amended to read as follows:

15 7. The board may file a petition with the ~~city~~
16 ~~development~~ land management planning board as provided
17 in section 368.11.

18 Sec.____. Section 331.321, subsection 1, paragraph
19 t, Code 2003, is amended to read as follows:

20 t. Local representatives to serve with the ~~city~~
21 ~~development~~ land management planning board as provided
22 in section 368.14.

23 Sec.____. Section 384.38, subsection 2, Code 2003,
24 is amended to read as follows:

25 2. Upon petition as provided in section 384.41,
26 subsection 1, a city may assess to private property
27 affected by public improvements within three miles of
28 the city's boundaries the cost of construction and
29 repair of public improvements within that area. The
30 right-of-way of a railway company shall not be
31 assessed unless the company joins as a petitioner for
32 ~~said~~ such improvements. In the petition the property
33 owners shall waive the limitation provided in section
34 384.62 that an assessment may not exceed twenty-five
35 percent of the value of the lot. The petition shall
36 contain a statement that the owners agree to pay the
37 city an amount equal to five percent of the cost of
38 the improvements, to cover administrative expenses
39 incurred by the city. This amount may be added to the
40 cost of the improvements. Before the council may
41 adopt the resolution of necessity, the preliminary
42 resolution, preliminary plans and specifications,
43 plat, schedule, and estimate of cost must be submitted
44 to, and receive written approval from, the board of
45 supervisors of any county which contains part of the
46 property, and the ~~city development~~ land management
47 planning board established in section ~~368.9~~ 6C.4.

48 IMPLEMENTATION AND EFFECTIVE DATES

49 Sec.____. IMPLEMENTATION OF ACT. Section 25B.2,
50 subsection 3, shall not apply to this division of this

Page 13

- 1 Act.
- 2 Sec. ____ EFFECTIVE DATES.
- 3 1. Except as otherwise provided in this section,
- 4 this division of this Act, being deemed of immediate
- 5 importance, takes effect upon enactment.
- 6 2. The section of this division of this Act
- 7 enacting section 368.5A takes effect January 1, 2006."
- 8 2. Title page, line 11, by inserting after the
- 9 word "council," the following: "relating to state and
- 10 local land management and planning,".
- 11 3. By renumbering as necessary.

FALLON of Polk

H-1434

- 1 Amend the amendment, H-1357, to Senate File 422, as
- 2 amended, passed, and reprinted by the Senate, as
- 3 follows:
- 4 1. Page 1, line 4, by striking the word and
- 5 figure "line 13" and inserting the following: "line
- 6 20".

SWAIM of Davis

H-1435

1. Amend House File 668 as follows:
2. 1. Page 3, by striking lines 13 and 14 and
3. inserting the following: "not more than ten million
4. dollars worth of certificates shall be issued pursuant
5. to this paragraph."

HOGG of Linn

H-1438

- 1 Amend Senate File 445, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 1, by inserting before line 1, the
- 4 following:
- 5 "Section 1. Section 296.1, Code 2003, is amended
- 6 to read as follows:
- 7 296.1 INDEBTEDNESS AUTHORIZED.
- 8 Subject to the approval of the voters thereof,
- 9 school districts are hereby authorized to contract
- 10 indebtedness and to issue general obligation bonds to
- 11 provide funds to defray the cost of purchasing,
- 12 building, furnishing, reconstructing, repairing,
- 13 improving or remodeling a schoolhouse or schoolhouses

14 and additions thereto, gymnasium, stadium, field
15 house, school bus garage, ~~teachers' or~~
16 ~~superintendent's home or homes,~~ and procuring a site
17 or sites therefor, or purchasing land to add to a site
18 already owned, or procuring and improving a site for
19 an athletic field, or improving a site already owned
20 for an athletic field, and for any one or more of such
21 purposes. Taxes for the payment of ~~said the~~ bonds
22 shall be levied in accordance with chapter 76, and
23 ~~said the~~ bonds shall mature within a period not
24 exceeding twenty years from date of issue, shall bear
25 interest at a rate or rates not exceeding that
26 permitted by chapter 74A and shall be of such form as
27 the board of directors of ~~such the~~ school district
28 shall by resolution provide, but the aggregate
29 indebtedness of any school district shall not exceed
30 five percent of the actual value of the taxable
31 property within ~~said the~~ school district, as
32 ascertained by the last preceding state and county tax
33 lists."

HUSER of Polk

H-1440

1 Amend House File 690 as follows:
2 1. Page 6, by striking lines 3 and 4 and
3 inserting the following:
4 "Sec. ____ EFFECTIVE AND APPLICABILITY DATE
5 PROVISION. This Act takes effect on the date the
6 legislative fiscal bureau notifies the department of
7 revenue and finance that new revenues for the general
8 fund of the state have been generated from the new
9 jobs created as a result of the assistance provided
10 businesses by the Iowa values fund that will at least
11 offset the estimated future revenue loss to the
12 general fund of the state as a result of the
13 implementation of this Act. If this Act takes effect,
14 this Act applies retroactively to January 1 preceding
15 the effective date for tax years beginning on or after
16 that date. The "Iowa values fund" means a fund
17 established during the 2003 legislative session which
18 is financed through the issuance of bonds or notes."
19 2. Title page, line 3, by inserting after the
20 word "including" the following: "and effective and".

SHOULTZ of Black Hawk

H-1443

1 Amend House File 691 as follows:
2 1. Page 26, by striking lines 10 through 22.

- 3 2. By renumbering as necessary.

HEDDENS of Story
 WISE of Lee
 COHOON of Des Moines
 WENDT of Woodbury
 WHITEAD of Woodbury

H-1444

- 1 Amend House File 691 as follows:
 2 1. By striking page 2, line 6 through page 3,
 3 line 16.
 4 2. Page 3, line 33, by striking the word and
 5 figure "Code 2003,".
 6 3. Page 4, line 11, by striking the figure
 7 "70,000,000" and inserting the following:
 8 "59,090,885".

WISE of Lee
 BELL of Jasper
 COHOON of Des Moines

BUKTA of Clinton
 WINCKLER of Scott
 LYKAM of Scott

H-1446

- 1 Amend House File 691 as follows:
 2 1. Page 21, line 11, by striking the word
 3 "REVIEW," and inserting the following: "REVIEW -
 4 WAIVER EXCEPTION.
 5 a."
 6 2. Page 21, by inserting after line 19 the
 7 following:
 8 "b. A charter agency shall not waive or suspend
 9 any administrative rule or regulatory statute
 10 governing competitive bidding requirements applicable
 11 to state agencies pursuant to the authority granted by
 12 this section."
 13 3. By renumbering as necessary.

ALONS of Sioux
 LUKAN of Dubuque
 S. OLSON of Clinton
 EICHHORN of Hamilton

RAECKER of Polk
 RASMUSSEN of Buchanan
 VAN ENGELENHOVEN of Marion
 HAHN of Muscatine

H-1448

- 1 Amend House File 691 as follows:
 2 1. Page 33, by inserting after line 16 the
 3 following:
 4 "Sec. ____ MEDICAL ASSISTANCE PROGRAM REDESIGN.
 5 1. The department of human services shall
 6 establish a work group in cooperation with
 7 representatives of the insurance industry to develop a

8 plan for the redesign of the medical assistance
9 program. In developing the redesign plan, the work
10 group shall consider all of the following:

11 a. Iowa's medical assistance program cannot be
12 sustained in a manner that provides care for
13 participants at the current rate of growth.
14 b. Iowans deserve a health care safety net that
15 provides health care that is timely, effective, and
16 responsive to individual needs.

17 c. Iowans would be better served, at a lower cost
18 to taxpayers, if persons who are at risk of becoming
19 medical assistance recipients due to their income,
20 health, and insurance status could be identified and
21 insured.

22 d. Iowa's children and families would benefit from
23 the use of a medical home model that links children
24 and families to an ongoing source of medical care that
25 ensures access to and appropriate utilization of
26 medical services including preventive services.

27 e. Iowa's senior population should have more
28 options available to address the population's health
29 care needs including home and community-based services
30 and assisted living.

31 2. The redesign plan shall include for measures
32 such as providing state funding for health care
33 spending accounts for families in the medical
34 assistance program in order to provide incentives for
35 effective health care cost management, providing an
36 insurance-like benefit package for those individuals
37 with extensive medical needs that emphasizes flexible
38 and preventive care through case management, moving to
39 an acuity-based reimbursement system for dually
40 eligible seniors, and developing an evidence-based
41 pharmaceutical program.

42 3. The department shall submit a progress report
43 of the work group's recommendations for medical
44 assistance program redesign to the governor and the
45 general assembly by January 15, 2004."

46 2. Page 34, by inserting after line 23 the
47 following:

48 "Sec. __. **NEW SECTION. 249A.32 PHARMACEUTICAL**
49 **SETTLEMENT ACCOUNT – MEDICAL ASSISTANCE PROGRAM.**

50 1. A pharmaceutical settlement account is created

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1 in the state treasury under the authority of the
2 department of human services. Moneys received from
3 settlements relating to provision of pharmaceuticals
4 under the medical assistance program shall be
5 deposited in the account.

6 2. Moneys in the account shall be used only as

- 7 provided in appropriations from the account to the
8 department for the purpose of technology upgrades
9 under the medical assistance program.
- 10 3. The account shall be separate from the general
11 fund of the state and shall not be considered part of
12 the general fund of the state. The moneys in the
13 account shall not be considered revenue of the state,
14 but rather shall be funds of the account. The moneys
15 in the account are not subject to reversion to the
16 general fund of the state under section 8.33 and shall
17 not be transferred, used, obligated, appropriated, or
18 otherwise encumbered, except to provide for the
19 purposes of this section. Notwithstanding section
20 12C.7, subsection 2, interest or earnings on moneys
21 deposited in the account shall be credited to the
22 account.
- 23 4. The treasurer of state shall provide a
24 quarterly report of account activities and balances to
25 the director."
- 26 3. By renumbering as necessary.

HEATON of Henry

H-1452

- 1 Amend House File 685 as follows:
- 2 1. Page 6, line 18, by striking the figure
3 "250,000" and inserting the following: "178,000".
- 4 2. Page 6, by inserting after line 20, the
5 following:
- 6 "f. Of the funds appropriated in this subsection,
7 \$72,000 is allocated to be used for educational or
8 treatment programs within the correctional
9 institutions."
- 10 3. By renumbering as necessary.

LENSING of Johnson
MASCHER of Johnson
T. TAYLOR of Linn

H-1459

- 1 Amend House File 685 as follows:
- 2 1. Page 6, line 20, by inserting after the word
3 "program." the following: "The department shall
4 submit a report annually by March 1, to the governor
5 and the general assembly delineating the success rate
6 of the program that receives funding under this
7 paragraph."

SMITH of Marshall

H-1461

1 Amend the amendment, H-1447, to House File 685 as
2 follows:

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

5 "____. Page 6, line 20, by inserting after the
6 word "program." the following: "The department shall
7 submit a report annually by March 1, to the governor
8 and the general assembly delineating the success rate
9 of the program that receives funding under this
10 paragraph.""

SMITH of Marshall

H-1463

1 Amend the amendment, H-1457, to House File 686 as
2 follows:

3 1. Page 1, by inserting after line 12, the
4 following:

5 "Sec. ____ Section 403.2, subsection 3, Code 2003,
6 is amended to read as follows:

7 3. It is further found and declared that there
8 exists in this state the continuing need for programs
9 to alleviate and prevent conditions of unemployment
10 and a shortage of housing; and that it is accordingly
11 necessary to assist and retain local industries and
12 commercial enterprises to strengthen and revitalize
13 the economy of this state and its municipalities; that
14 accordingly it is necessary to provide means and
15 methods for the encouragement and assistance of
16 industrial and commercial enterprises in locating,
17 purchasing, constructing, reconstructing, modernizing,
18 improving, maintaining, repairing, furnishing,
19 equipping, and expanding in this state and its
20 municipalities, for the provision of public
21 improvements related to housing and residential
22 development, and for the construction of housing for
23 low and moderate income families; that accordingly it
24 is necessary to authorize local governing bodies to
25 designate areas of a municipality as economic
26 development areas for commercial and industrial
27 enterprises, public improvements related to housing
28 and residential development, or construction of
29 housing for low and moderate income families; and that
30 it is also necessary to encourage the location and
31 expansion of commercial enterprises to more
32 conveniently provide needed services and facilities of
33 the commercial enterprises to municipalities and the
34 residents of the municipalities. Therefore, the
35 powers granted in this chapter constitute the

36 performance of essential public purposes for this
37 state and its municipalities.

38 Sec.____. Section 403.4, subsection 1, Code 2003,
39 is amended to read as follows:

40 1. One or more slum, ~~or blighted or economic~~
41 ~~development~~ areas exist in the municipality.

42 Sec.____. Section 403.5, subsection 1, Code 2003,
43 is amended to read as follows:

44 1. A municipality shall not approve an urban
45 renewal project for an urban renewal area unless the
46 governing body has, by resolution, determined the area
47 to be a slum area, ~~or blighted area, economic~~
48 ~~development area~~ or a combination of those areas, and
49 designated the area as appropriate for an urban
50 renewal project. The local governing body shall not

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1 approve an urban renewal plan until a general plan for
2 the municipality has been prepared. For this purpose
3 and other municipal purposes, authority is vested in
4 every municipality to prepare, to adopt and to revise
5 from time to time, a general plan for the physical
6 development of the municipality as a whole, giving due
7 regard to the environs and metropolitan surroundings.
8 A municipality shall not acquire real property for an
9 urban renewal project unless the local governing body
10 has approved the urban renewal project in accordance
11 with subsection 4."

12 2. Page 1, by inserting after line 21, the
13 following:

14 "Sec.____. Section 403.5, subsection 4, paragraph
15 b, subparagraph (2), unnumbered paragraph 2, Code
16 2003, is amended by striking the unnumbered
17 paragraph."

18 3. Page 3, by inserting after line 14, the
19 following:

20 "Sec.____. Section 403.7, Code 2003, is amended to
21 read as follows:

22 403.7 CONDEMNATION OF PROPERTY.

23 A municipality shall have the right to acquire by
24 condemnation any interest in real property, including
25 a fee simple title thereto, which it may deem
26 necessary for or in connection with an urban renewal
27 project under this chapter. ~~However, a municipality~~
28 ~~shall not condemn agricultural land included within an~~
29 ~~economic development area unless the owner of the~~
30 ~~agricultural land consents to condemnation or unless~~
31 ~~the agricultural land is to be acquired for industry~~
32 ~~as that term is defined in section 260E-2. A~~
33 municipality may exercise the power of eminent domain
34 in the manner provided in chapter 6B, and Acts

35 amendatory to that chapter or supplementary to that
36 chapter, or it may exercise the power of eminent
37 domain in the manner now or which may be hereafter
38 provided by any other statutory provisions for the
39 exercise of the power of eminent domain. Property
40 already devoted to a public use may be acquired in
41 like manner. However, real property belonging to the
42 state, or any political subdivision of this state,
43 shall not be acquired without its consent, and real
44 property or any right or interest in the property
45 owned by any public utility company, pipeline company,
46 railway or transportation company vested with the
47 right of eminent domain under the laws of this state,
48 shall not be acquired without the consent of the
49 company, or without first securing, after due notice
50 to the company and after hearing, a certificate

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1 authorizing condemnation of the property from the
2 board, commission or body having the authority to
3 grant a certificate authorizing condemnation. In a
4 condemnation proceeding, if a municipality proposes to
5 take a part of a lot or parcel of real property, the
6 municipality shall also take the remaining part of the
7 lot or parcel if requested by the owner."
8 4. By striking page 3, line 32, through page 4,
9 line 10, and inserting the following:
10 "Sec.____. Section 403.17, subsection 10, Code
11 2003, is amended by striking the subsection."
12 5. Page 4, by inserting after line 16, the
13 following:
14 "Sec.____. Section 403.17, subsection 23, Code
15 2003, is amended to read as follows:
16 23. "Urban renewal area" means a slum area, or
17 blighted area, ~~economic development area, or~~
18 combination of the areas, which the local governing
19 body designates as appropriate for an urban renewal
20 project.
21 Sec.____. Section 403.17, subsection 25,
22 unnumbered paragraph 1, Code 2003, is amended to read
23 as follows:
24 "Urban renewal project" may include undertakings
25 and activities of a municipality in an urban renewal
26 area for the elimination and for the prevention of the
27 development or spread of slums and blight, ~~may include~~
28 ~~the designation and development of an economic~~
29 ~~development area in an urban renewal area, and may~~
30 involve slum clearance and redevelopment in an urban
31 renewal area, or rehabilitation or conservation in an
32 urban renewal area, or any combination or part thereof
33 in accordance with an urban renewal program. The

- 34 undertakings and activities may include:
 35 Sec.____. Section 403.17, subsection 25, paragraph
 36 a, Code 2003, is amended to read as follows:
 37 a. Acquisition of a slum area, or blighted area,
 38 ~~economic development area~~, or portion of the areas;"

39 6. By renumbering as necessary.

FORD of Polk

H-1464

- 1 Amend House File 685 as follows:
 2 1. Page 6, line 20, by inserting after the word
 3 "program." the following: "The provider of the value-
 4 based treatment program shall submit a report annually
 5 by March 1, to the governor and the general assembly
 6 delineating the success rate of the program."

SMITH of Marshall

H-1465

- 1 Amend Senate File 384, as amended, passed, and
 2 reprinted by the Senate, as follows:
 3 1. Page 2, line 13, by striking the words "A
 4 substitute beneficiary" and inserting the following:
 5 ~~"a substitute beneficiary".~~
 6 2. Page 2, by striking lines 15 and 16 and
 7 inserting the following: "beneficiary is not older
 8 ~~than the original beneficiary."~~
 9 3. Page 3, line 6, by inserting after the word
 10 "education." the following: "Payments may be made to
 11 the institution, participant, or beneficiary."
 12 4. Page 3, line 14, by striking the word and
 13 figure "and 2" and inserting the following: ", 2, and
 14 3".
 15 5. Page 3, line 17, by striking the words "up to
 16 the date of" and inserting the following: "~~up to the~~
 17 ~~date of~~".
 18 6. Page 3, by striking line 19 and inserting the
 19 following: "the beneficiary until the participant
 20 cancels or transfers the account."
 21 7. Page 3, by inserting after line 29 the
 22 following:
 23 "3. If the beneficiary graduates from an
 24 institution of higher education, and a balance remains
 25 in the participant's account, the treasurer of state
 26 shall pay the balance to the participant."

Committee on Ways and Means

H-1467

1 Amend the amendment, H-1457, to House File 686 as
2 follows:

3 1. Page 1, by inserting after line 12, the
4 following:

5 "Sec. ____ Section 403.5, subsection 1, Code 2003,
6 is amended to read as follows:

7 1. A municipality shall not approve an urban
8 renewal project for an urban renewal area unless the
9 governing body has, by resolution, determined the area
10 to be a slum area, blighted area, economic development
11 area or a combination of those areas, and designated
12 the area as appropriate for an urban renewal project.
13 The local governing body shall not approve an urban
14 renewal plan until a general plan for the municipality
15 has been prepared. For this purpose and other
16 municipal purposes, authority is vested in every
17 municipality to prepare, to adopt and to revise from
18 time to time, a general plan for the physical
19 development of the municipality as a whole, giving due
20 regard to the environs and metropolitan surroundings.
21 A municipality shall not acquire real property for an
22 urban renewal project unless the local governing body
23 has approved the urban renewal project in accordance
24 with subsection 4. A municipality shall not approve
25 an urban renewal project for retail development in
26 excess of one million square feet and a municipality
27 shall not approve an urban renewal plan that contains
28 separate urban renewal projects for retail development
29 which are part of one cohesive retail development if
30 the total of the retail development for such related
31 projects is in excess of one million square feet. For
32 purposes of this subsection, "retail development"
33 means construction or reconstruction of a building or
34 structure which is used or intended to be used by any
35 person, firm, partnership, association, or corporation
36 who operates, maintains, or conducts, either in
37 person, or by any agent or employee, any place of
38 business from which any goods or services are sold or
39 offered for sale, at retail, for consumption or use,
40 and includes ancillary buildings or structures, such
41 as parking facilities and storage buildings."

42 2. By renumbering as necessary.

FALLON of Polk

H-1468

1 Amend House File 683 as follows:

2 1. Page 5, by inserting after line 18 the
3 following:

4 "Sec. ____ NEW SECTION. 15G.106 AGREEMENTS.

5 An entity receiving moneys from the Iowa values
6 fund shall enter into an agreement with the board
7 specifying the requirements that must be met to
8 confirm eligibility. The agreement shall contain, at
9 a minimum, the following provisions:

10 1. An entity that receives moneys from the fund
11 shall, for the length of the agreement, certify
12 annually to the board the compliance of the entity
13 with the requirements of the agreement.

14 2. The repayment of incentives by the entity if
15 the business has not met any of the requirements of
16 the agreement.

17 3. If an entity that is approved to receive moneys
18 from the fund experiences a layoff within the state or
19 closes any of its facilities within the state, the
20 board shall have the discretion to reduce or eliminate
21 some or all of the incentives. If an entity has
22 received moneys from the fund and experiences a layoff
23 within the state or closes any of its facilities
24 within the state, the entity may be subject to
25 repayment of all or a portion of the incentives that
26 it has received."

27 2. By renumbering as necessary.

FALLON of Polk

H-1470

1 Amend House File 683 as follows:

2 1. Page 5, line 11, by inserting after the word
3 "assembly" the following: "; notwithstanding section
4 453A.35, the additional revenues derived from the
5 increased taxes imposed pursuant to the amendments in
6 this Act to sections 453A.6 and 453A.43;".

7 2. Page 5, line 18, by inserting after the word
8 "fund." the following: "If moneys subject to deposit
9 in the Iowa values fund exceed those necessary for the
10 appropriations provided in this Act, the excess shall
11 be deposited in the general fund of the state."

12 3. Page 40, by inserting after line 35 the
13 following:

14 "DIVISION
15 TAXES

16 Sec. ____ Section 453A.6, subsection 1, Code 2003,
17 is amended to read as follows:

18 1. There is imposed, and shall be collected and
19 paid to the department, the following taxes on all
20 cigarettes used or otherwise disposed of in this state
21 for any purpose whatsoever:

22 Class A. On cigarettes weighing not more than
23 three pounds per thousand, ~~eighteen mills~~ six and

24 ~~eight-tenths cents~~ on each such cigarette.
 25 Class B. On cigarettes weighing more than three
 26 pounds per thousand, ~~eighteen mills~~ six and eight-
 27 tenths cents on each such cigarette.
 28 Sec. ____ Section 453A.43, subsection 1,
 29 unnumbered paragraph 1, Code 2003, is amended to read
 30 as follows:
 31 A tax is imposed upon all tobacco products in this
 32 state and upon any person engaged in business as a
 33 distributor of tobacco products, at the rate of
 34 ~~twenty-two~~ eighty-three percent of the wholesale sales
 35 price of the tobacco products, except little cigars as
 36 defined in section 453A.42. Little cigars shall be
 37 subject to the same rate of tax imposed upon
 38 cigarettes in section 453A.6, payable at the time and
 39 in the manner provided in section 453A.6; and stamps
 40 shall be affixed as provided in division I of this
 41 chapter. The tax on tobacco products, excluding
 42 little cigars, shall be imposed at the time the
 43 distributor does any of the following:
 44 Sec. ____ Section 453A.43, subsection 2,
 45 unnumbered paragraph 1, Code 2003, is amended to read
 46 as follows:
 47 A tax is imposed upon the use or storage by
 48 consumers of tobacco products in this state, and upon
 49 the consumers, at the rate of ~~twenty-two~~ eighty-three
 50 percent of the cost of the tobacco products."

Page 2

- 1 4. Title page, line 11, by inserting after the
- 2 word "council," the following: "increasing tobacco-
- 3 related taxes,".
- 4 5. By renumbering as necessary.

RAYHONS of Hancock

H-1473

- 1 Amend House File 691 as follows:
- 2 1. Page 14, by inserting before line 32 the
- 3 following:
- 4 "DIVISION ____
- 5 SOLID WASTE
- 6 Sec. ____ Section 455D.9, Code 2003, is amended by
- 7 adding the following new subsection:
- 8 NEW SUBSECTION. 1A. Yard waste may be accepted by
- 9 a sanitary landfill for land disposal if the sanitary
- 10 landfill operates an active methane collection system.
- 11 For purposes of calculating the waste stream and
- 12 determining the attainment of the waste stream
- 13 reductions under section 455D.3 for a year in which

- 14 yard waste has been accepted for land disposal
15 pursuant to this subsection, the planning area shall
16 estimate the amount of tonnage attributable to yard
17 waste and the estimated amount shall be subtracted
18 from the tonnage accepted by the planning area during
19 that year."
20 2. By renumbering as necessary.

HUSER of Polk

H-1498

- 1 Amend Senate File 384, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. By striking everything after the enacting
4 clause and inserting the following:
5 "Section 1. WORK-STUDY PROGRAM. There is
6 appropriated from the general fund of the state to the
7 college student aid commission for the fiscal year
8 beginning July 1, 2003, and ending June 30, 2004, the
9 following amount, or so much thereof as is necessary,
10 to be used for the purpose designated:
11 For the Iowa college work-study program created in
12 section 261.81:
13 \$ 1,400,000"

HOGG of Linn

H-1499

- 1 Amend House File 676 as follows:
2 1. Page 1, by inserting after line 13 the
3 following:
4 "b. Fees credited by the treasurer of state from
5 the sale of special motor vehicle registration plates
6 pursuant to section 321.34, subsections 17 through
7 20."
8 2. Page 2, by inserting after line 9 the
9 following:
10 "Sec. ____ Section 321.34, subsections 17, 18, 19,
11 and 20, Code 2003, are amended to read as follows:
12 17. PEARL HARBOR SPECIAL PLATES. An owner
13 referred to in subsection 12 who was at Pearl Harbor,
14 Hawaii, as a member of the armed services of the
15 United States on December 7, 1941, may, upon written
16 application to the department, order special
17 registration plates with a Pearl Harbor processed
18 emblem. The emblem shall be designed by the
19 department in consultation with service organizations.
20 The application is subject to approval by the
21 department. The special fees collected by the
22 director for issuance and validation of Pearl Harbor

23 plates pursuant to subsection 12 shall be paid monthly
24 to the treasurer of state and credited to the road use
25 tax fund. Notwithstanding section 423.24, and prior
26 to the crediting of revenues to the road use tax fund
27 under section 423.24, subsection 1, paragraph "b", the
28 treasurer of state shall credit monthly to the
29 veterans trust fund created under section 35A.13 the
30 amount of the special fees collected in the previous
31 month for the Pearl Harbor plates.

32 18. PURPLE HEART SPECIAL PLATES. An owner
33 referred to in subsection 12 who was awarded a purple
34 heart medal by the United States government for wounds
35 received in military or naval combat against an armed
36 enemy of the United States may, upon written
37 application to the department and presentation of
38 satisfactory proof of the award of the purple heart
39 medal, order special registration plates with a purple
40 heart processed emblem. The design of the emblem
41 shall include a representation of a purple heart medal
42 and ribbon. The application is subject to approval by
43 the department in consultation with the adjutant
44 general. The special fees collected by the director
45 for issuance and validation of purple heart plates
46 pursuant to subsection 12 shall be paid monthly to the
47 treasurer of state and credited to the road use tax
48 fund. Notwithstanding section 423.24, and prior to
49 the crediting of revenues to the road use tax fund
50 under section 423.24, subsection 1, paragraph "b", the

Page 2

1 treasurer of state shall credit monthly to the
2 veterans trust fund created under section 35A.13 the
3 amount of the special fees collected in the previous
4 month for the purple heart plates.

5 19. UNITED STATES ARMED FORCES RETIRED SPECIAL
6 PLATES. An owner referred to in subsection 12 who is
7 a retired member of the United States armed forces
8 may, upon written application to the department and
9 upon presentation of satisfactory proof of membership,
10 order special registration plates with a United States
11 armed forces retired processed emblem. The emblem
12 shall be designed by the department in consultation
13 with service organizations. The application is
14 subject to approval by the department. For purposes
15 of this subsection, a person is considered to be
16 retired if the person is recognized by the United
17 States armed forces as retired from the United States
18 armed forces. The special fees collected by the
19 director for issuance and validation of United States
20 armed forces retired plates pursuant to subsection 12
21 shall be paid monthly to the treasurer of state and

22 credited to the road use tax fund. Notwithstanding
 23 section 423.24, and prior to the crediting of revenues
 24 to the road use tax fund under section 423.24,
 25 subsection 1, paragraph "b", the treasurer of state
 26 shall credit monthly to the veterans trust fund
 27 created under section 35A.13 the amount of the special
 28 fees collected in the previous month for the United
 29 States armed forces retired plates.

30 20. SILVER OR BRONZE STAR PLATES. An owner
 31 referred to in subsection 12 who was awarded a silver
 32 or a bronze star by the United States government, may,
 33 upon written application to the department and
 34 presentation of satisfactory proof of the award of the
 35 silver or bronze star, order special registration
 36 plates with a silver or bronze star processed emblem.
 37 The emblem shall be designed by the department in
 38 consultation with the adjutant general. The special
 39 fees collected by the director for issuance and
 40 validation of silver star and bronze star plates
 41 pursuant to subsection 12 shall be paid monthly to the
 42 treasurer of state and credited to the road use tax
 43 fund. Notwithstanding section 423.24, and prior to
 44 the crediting of revenues to the road use tax fund
 45 under section 423.24, subsection 1, paragraph "b", the
 46 treasurer of state shall credit monthly to the
 47 veterans trust fund created under section 35A.13 the
 48 amount of the special fees collected in the previous
 49 month for the silver star and bronze star plates."

50 3. By renumbering, redesignating, and correcting

Page 3

1 internal references as necessary.

QUIRK of Chickasaw

H-1503

1 Amend Senate File 384, as amended, passed, and
 2 reprinted by the Senate, as follows:

3 1. Page 5, by inserting after line 9, the
 4 following:

5 "This subsection shall only apply to an out-of-
 6 state qualified state tuition program if the state
 7 that established the program allows its residents to
 8 deduct in determining their individual income tax
 9 liabilities contributions made to the Iowa educational
 10 savings plan trust created pursuant to chapter 12D."

FREVERT of Palo Alto

H-1504

- 1 Amend Senate File 384, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 5, line 12, by striking the words "DATES.
- 4 This Act," and inserting the following: "DATE. This
- 5 Act takes effect January 1, 2004, for".
- 6 2. Page 5, by striking lines 13 and 14.
- 7 3. Title page, line 4, by striking the word
- 8 "retroactive".

KRAMER of Polk

H-1507

- 1 Amend Senate File 452, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 5, by inserting after line 15 the
- 4 following:
- 5 "NATIONAL PROGRAM FOR PLAYGROUND SAFETY
- 6 Sec. ___. There is appropriated from the rebuild
- 7 Iowa infrastructure fund to the national program for
- 8 playground safety at the university of northern Iowa
- 9 for the fiscal year beginning July 1, 2003, and ending
- 10 June 30, 2004, the following amount, or so much
- 11 thereof as is necessary, to be used for the purpose
- 12 designated:
- 13 For the Iowa safe surfacing initiative,
- 14 notwithstanding section 8.57, subsection 5, paragraph
- 15 "c":
- 16 \$ 1,000,000
- 17 No more than 10 percent of the funds appropriated
- 18 in this section shall be used by the national program
- 19 for playground safety for administrative costs
- 20 associated with the Iowa safe surfacing initiative.
- 21 The crumb rubber playground tiles for the
- 22 initiative shall be international play equipment
- 23 manufacturers association (IPEMA)-certified to the
- 24 American society for testing and materials (ASTM)
- 25 F1292 standard. The national program for playground
- 26 safety shall give preference for the purchasing of
- 27 such tiles from an IPEMA-certified manufacturing
- 28 operation owned, located, and operated in this state."
- 29 2. By renumbering, redesignating, and correcting
- 30 internal references as necessary.

HUSEMAN of Cherokee
COHOON of Des Moines
BOAL of Polk

TYMESON of Madison
DAVITT of Warren
HUSER of Polk

H-1516

1 Amend House File 683 as follows:

2 1. Page 18, by inserting after line 20 the
3 following:

4 "0A. The general assembly finds and declares that
5 there exists in this state inherent limits on the
6 ability of a single municipality to effectively pursue
7 economic growth; that the allocation of costs related
8 to pursuing economic growth and resulting benefits
9 accruing from economic growth do not coincide with the
10 boundaries of a single municipality; that the
11 inefficiency and waste resulting from uncontrolled
12 competition for economic growth among municipalities
13 is not in the public interest; and that it is in the
14 public interest to encourage municipalities to join
15 together and pursue economic growth as a cooperative
16 regional endeavor."

17 2. Page 18, by inserting after line 35 the
18 following:

19 "c. The regional development plan includes
20 provisions for sharing the costs related to pursuing
21 economic growth agreed to by municipalities within the
22 region pursuant to an agreement under chapter 28E.

23 d. The regional development plan includes
24 provisions for sharing the revenues resulting from
25 economic growth agreed to by municipalities within the
26 region pursuant to an agreement under chapter 28E."

27 3. By renumbering as necessary.

SHOULTZ of Black Hawk

H-1522

1 Amend Senate File 440, as passed by the Senate, as
2 follows:

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

5 "Sec. 101. Section 284.2, subsections 1, 2, 3, and
6 12, Code 2003, are amended to read as follows:

7 1. "Beginning teacher" means an individual serving
8 under an initial ~~provisional~~ license, issued by the
9 board of educational examiners under chapter 272, who
10 is assuming a position as a classroom teacher. ~~For~~
11 ~~purposes of the beginning teacher mentoring and~~
12 ~~induction program created pursuant to section 284.5,~~
13 "beginning "Beginning teacher" also includes preschool
14 teachers, school nurses, school social workers,
15 counselors, and media specialists who are licensed by
16 the board of educational examiners under chapter 272
17 or hold a letter of authorization or statement of
18 professional recognition issued by the board of

19 educational examiners, and who are employed by serving
20 a probationary period of employment with a school
21 district or area education agency.

22 2. "Classroom teacher" means an individual who
23 holds a valid practitioner's license and who is
24 employed under a contract issued by a board of
25 directors under section 279.13 to provide classroom
26 instruction to students, or as a preschool teacher.
27 "Classroom teacher" also includes school nurses,
28 school social workers, counselors, and media
29 specialists who are licensed by the board of
30 educational examiners under chapter 272 or hold a
31 letter of authorization or statement of professional
32 recognition issued by the board of educational
33 examiners, and who are employed by a school district
34 or area education agency.

35 3. "Comprehensive evaluation" means a summative
36 evaluation of a beginning teacher conducted by an
37 evaluator for purposes of determining a beginning
38 teacher's level of competency relative to the Iowa
39 teaching standards and ~~for recommendation for~~
40 ~~licensure based upon models~~ the knowledge and skill
41 criteria developed pursuant to section 256.9,
42 subsection 50, and to determine whether the teacher's
43 practice meets the school district expectations for a
44 career teacher.

45 12. "Teacher" means an individual holding a
46 practitioner's license issued under chapter 272, who
47 is employed in a nonadministrative position as a
48 teacher, librarian, media specialist, preschool
49 teacher, school nurse, school social worker, or
50 counselor by a school district or area education

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1 agency pursuant to a contract issued by a board of
2 directors under section 279.13. A teacher may be
3 employed in both an administrative and a
4 nonadministrative position by a board of directors and
5 shall be considered a part-time teacher for the
6 portion of time that the teacher is employed in a
7 nonadministrative position. "Teacher" includes a
8 licensed individual employed on a less than full-time
9 basis by a school district through a contract between
10 the school district and an institution of higher
11 education with a practitioner preparation program in
12 which the licensed teacher is enrolled.

13 Sec. 102. Section 284.5, subsection 8, Code 2003,
14 is amended to read as follows:

15 8. If the general assembly appropriates moneys for
16 purposes of this section, a school district or area
17 education agency is eligible to receive state

18 assistance for up to two years under this section for
19 each teacher the school district or area education
20 agency employs who was formerly employed in an
21 accredited nonpublic school or in another state as a
22 first-year teacher. The school district or area
23 education agency employing the teacher shall determine
24 the conditions and requirements of a teacher
25 participating in a program in accordance with this
26 subsection. ~~The school district or area education~~
27 ~~agency that employs the teacher shall recommend the~~
28 ~~teacher for an educational license if the teacher,~~
29 ~~through a comprehensive evaluation, is determined to~~
30 ~~demonstrate competence in the Iowa teaching standards.~~
31 Sec. 103. Section 284.13, Code 2003, is amended by
32 adding the following new subsection:

33 NEW SUBSECTION. 5. For each fiscal year in which
34 moneys are appropriated by the general assembly for
35 purposes of this chapter, each school district and
36 area education agency shall, by July 1 annually,
37 report to the department of education the number of
38 preschool teachers, librarians, media specialists,
39 school nurses, school social workers, and counselors
40 who were employed by the school district or area
41 education agency on the third Friday of September of
42 the previous fiscal year.
43 Sec. __. STATE MANDATE FUNDING SPECIFIED. In
44 accordance with section 25B.2, subsection 3, the state
45 cost of requiring compliance with any state mandate
46 included in sections 101 through 103 of this Act shall
47 be paid by a school district from state school
48 foundation aid received by the school district under
49 section 257.16. This specification of the payment of
50 the state cost shall be deemed to meet all the state

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1 funding-related requirements of section 25B.2,
2 subsection 3, and no additional state funding shall be
3 necessary for the full implementation of sections 101
4 through 103 of this Act by and enforcement of sections
5 101 through 103 of this Act against all affected
6 school districts."

7 2. Title page, line 1, by inserting after the
8 word "Act" the following: "relating to education by
9 including school nurses, school social workers,
10 counselors, and media specialists in the student
11 achievement and teacher quality program and
12 eliminating a program requirement for an educational
13 license, and".

14 3. By renumbering as necessary.

H-1523

1 Amend Senate File 440, as passed by the Senate, as
2 follows:

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

5 "Section 1. Section 256.7, subsection 24, Code
6 2003, is amended to read as follows:

7 24. Adopt rules on or before January 1, 2001, to
8 require school districts and accredited nonpublic
9 schools to adopt local policies relating to health
10 services, media services programs, and guidance
11 programs, as part of the general accreditation
12 standards applicable to school districts pursuant to
13 section 256.11. This subsection shall be applicable
14 strictly for reporting purposes and shall not be
15 interpreted to require school districts and accredited
16 nonpublic schools to provide or offer health services,
17 ~~media services programs, or guidance programs.~~

18 Sec. 2. Section 256.11, Code 2003, is amended by
19 adding the following new subsection:

20 NEW SUBSECTION. 9. Unless a waiver has been
21 obtained under section 256.11A, each accredited
22 nonpublic school or school district shall have the
23 following:

24 a. A media center in each attendance center
25 accessible to students throughout the school day and a
26 qualified school media services specialist who meets
27 the licensing standards prescribed by the board of
28 educational examiners and who is responsible for media
29 center supervision.

30 b. An articulated sequential elementary-secondary
31 guidance program for grades kindergarten through
32 twelve and a guidance counselor who meets the
33 licensing standards prescribed by the board of
34 educational examiners.

35 In determining the requirements of this subsection
36 for an accredited nonpublic school, the department
37 shall evaluate the accredited nonpublic school on an
38 accredited nonpublic school system basis rather than
39 on an individual accredited nonpublic school basis.

40 Sec. 3. Section 256.11A, subsection 1, Code 2003,
41 is amended to read as follows:

42 1. ~~Schools~~ Accredited nonpublic schools and school
43 districts ~~unable to meet the standard adopted by the~~
44 ~~state board requiring each school or school district~~
45 ~~operating a kindergarten through grade twelve program~~
46 ~~to provide an articulated sequential elementary-~~
47 ~~secondary guidance program~~ may, not later than August
48 1, ~~1995~~ 2003, for the school year beginning July 1,
49 ~~1995~~ 2003, file a written request to the department of
50 education that the department waive one or more of the

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- 1 ~~requirement for requirements established in section~~
2 ~~256.11, subsection 9, that an accredited nonpublic~~
3 ~~school or school district have a media center and a~~
4 ~~qualified school media services specialist and that an~~
5 ~~accredited nonpublic school or school district~~
6 ~~operating a kindergarten through grade twelve program~~
7 ~~provide an articulated sequential elementary-secondary~~
8 ~~guidance program.~~ The procedures specified in
9 subsection 3 apply to the request. Not later than
10 August 1, ~~1996~~ 2004, for the school year beginning
11 July 1, ~~1996~~ 2004, the board of directors of a school
12 district or the authorities in charge of a nonpublic
13 school may request a one-year extension of the waiver.
14 Sec. 4. Section 256.11A, subsection 2, Code 2003,
15 is amended by striking the subsection."
16 2. Page 1, by inserting after line 20 the
17 following:
18 "Sec. ____ STATE MANDATE FUNDING SPECIFIED. In
19 accordance with section 25B.2, subsection 3, the state
20 cost of requiring compliance with any state mandate
21 included in sections 1 through 4 of this Act shall be
22 paid by a school district from state school foundation
23 aid received by the school district under section
24 257.16. This specification of the payment of the
25 state cost shall be deemed to meet all the state
26 funding-related requirements of section 25B.2,
27 subsection 3, and no additional state funding shall be
28 necessary for the full implementation of sections 1
29 through 4 of this Act by and enforcement of sections 1
30 through 4 of this Act against all affected school
31 districts."
32 3. Title page, line 1, by inserting after the
33 word "Act" the following: "relating to education by
34 requiring school districts and accredited nonpublic
35 schools to have media centers and specialists and an
36 elementary-secondary guidance program and providing
37 waivers, and by".
38 4. By renumbering as necessary.

WINCKLER of Scott

H-1524

- 1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, by striking line 3 and inserting the
4 following:
5 "1. For the school budget year beginning July 1,
6 2004, and".
7 2. Page 1, by inserting after line 20 the

8 following:

9 "2. This section is repealed June 30, 2004.

10 Sec. ____ **NEW SECTION. 285.17 NONPUBLIC SCHOOL**
11 **TRANSPORTATION – STATE AID TERMINATION.**

12 The provisions of this chapter relating to general
13 fund appropriations for nonpublic school
14 transportation costs and reimbursements shall be
15 applicable solely for the school budget year beginning
16 July 1, 2003. For the school budget year beginning
17 July 1, 2004, and succeeding budget years, nonpublic
18 schools shall be responsible for school transportation
19 costs and the reimbursement of transportation
20 expenses.

21 Sec. ____ Section 301.1, subsection 2, Code 2003,
22 is amended to read as follows:

23 2. Textbooks adopted and purchased by a school
24 district shall, to the extent funds are appropriated
25 by the general assembly, be made available to pupils
26 attending accredited nonpublic schools upon request of
27 the pupil or the pupil's parent under comparable terms
28 as made available to pupils attending public schools.
29 If the general assembly appropriates moneys for
30 purposes of making textbooks available to accredited
31 nonpublic school pupils, the department of education
32 shall ascertain the amount available to a school
33 district for the purchase of nonsectarian,
34 nonreligious textbooks for pupils attending accredited
35 nonpublic schools. The amount shall be in the
36 proportion that the basic enrollment of a
37 participating accredited nonpublic school bears to the
38 sum of the basic enrollments of all participating
39 accredited nonpublic schools in the state for the
40 budget year. For purposes of this section, a
41 "participating accredited nonpublic school" means an
42 accredited nonpublic school that submits a written
43 request on behalf of the school's pupils in accordance
44 with this subsection, and that certifies its actual
45 enrollment to the department of education by October
46 1, annually. By October 15, annually, the department
47 of education shall certify to the director of revenue
48 and finance the annual amount to be paid to each
49 school district, and the director of revenue and
50 finance shall draw warrants payable to school

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1 districts in accordance with this subsection. For
2 purposes of this subsection, an accredited nonpublic
3 school's enrollment count shall include only students
4 who are residents of Iowa. The costs of providing
5 textbooks to accredited nonpublic school pupils as
6 provided in this subsection shall not be included in

- 7 the computation of district cost under chapter 257,
8 but shall be shown in the budget as an expense from
9 miscellaneous income. Textbook expenditures made in
10 accordance with this subsection shall be kept on file
11 in the school district. This subsection is repealed
12 June 30, 2004."
- 13 3. Title page, line 2, by inserting after the
14 word "circumstances" the following: ", and providing
15 for a future repeal".
- 16 4. By renumbering as necessary.

STEVENS of Dickinson

H-1525

- 1 Amend Senate File 440, as passed by the Senate, as
2 follows:
- 3 1. Page 1, by inserting after line 20 the
4 following:
- 5 "Sec. ____ EDUCATOR LICENSING REVIEW WORKING
6 GROUP.
- 7 1. The board of educational examiners, in
8 consultation with the department of education, shall
9 convene a working group to identify and recommend
10 measures to improve Iowa's current teacher and
11 administrator preparation and licensing practices.
12 The working group shall review the current teacher and
13 administrator preparation and licensing processes to
14 identify essential standards to maintain quality
15 preparation and licensing requirements for teachers
16 and administrators. The review shall also do the
17 following:
- 18 a. Identify state laws and agency rules that are
19 no longer essential to maintain quality.
- 20 b. Compare Iowa's teacher and administrator
21 preparation and licensing practices with those of
22 neighboring states, and identify those areas where
23 Iowa's practices differ from, or are consistent with,
24 the practices of the states neighboring Iowa.
- 25 c. Identify potential barriers preventing teacher
26 and administrator candidates from neighboring states
27 from applying for licensure in Iowa.
- 28 2. The working group shall consist of teachers,
29 administrators, and representatives of the department
30 of education, the state board of education, the board
31 of educational examiners, and practitioner preparation
32 institutions.
- 33 3. The working group shall submit its findings and
34 recommendations to the chairpersons and ranking
35 members of the senate and house standing education
36 committees and the joint appropriations subcommittee
37 on education by January 15, 2004."

- 38 2. Title page, line 1, by inserting after the
39 word "Act" the following: "relating to education by
40 directing the board of educational examiners to
41 convene an educator licensing review working group,
42 and by".
43 3. By renumbering as necessary.

STEVENS of Dickenson

H-1526

- 1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, by inserting before line 1 the
4 following:
5 "Section 1. Section 256.9, Code 2003, is amended
6 by adding the following new subsection:
7 NEW SUBSECTION. 52. Prepare and make available to
8 school districts and accredited nonpublic schools
9 courses of instruction that meet the requirements of
10 section 256.11, subsection 15. The director shall
11 develop a procedure for evaluating and measuring the
12 effectiveness of human growth and development, health
13 education, and family life curricula in each school
14 district and accredited nonpublic school, including
15 the setting of reasonable goals for reduced sexual
16 activity, sexually transmitted diseases, and
17 premarital pregnancy.
18 Sec. 2. Section 256.11, subsections 2, 3, and 4,
19 Code 2003, are amended to read as follows:
20 2. The kindergarten program shall include
21 experiences designed to develop healthy emotional and
22 social habits and growth in the language arts and
23 communication skills, as well as a capacity for the
24 completion of individual tasks, and protect and
25 increase physical well-being with attention given to
26 experiences relating to the development of life skills
27 and medically accurate and age appropriate human
28 growth and development. A kindergarten teacher shall
29 be licensed to teach in kindergarten. An accredited
30 nonpublic school must meet the requirements of this
31 subsection only if the nonpublic school offers a
32 kindergarten program.
33 3. The following areas shall be taught in grades
34 one through six: English-language arts, social
35 studies, mathematics, science, health, medically
36 accurate and age appropriate human growth and
37 development, physical education, traffic safety,
38 music, and visual art. The health curriculum shall
39 include medically accurate and age appropriate
40 information regarding the characteristics of
41 communicable diseases including acquired immune

42 deficiency syndrome. The state board as part of
43 accreditation standards shall adopt curriculum
44 definitions for implementing the elementary program.
45 4. The following shall be taught in grades seven
46 and eight: English-language arts; social studies;
47 mathematics; science; health; medically accurate and
48 age appropriate human growth and development, family,
49 consumer, career, and technology education; physical
50 education; music; and visual art. The health

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1 curriculum shall include medically accurate and age
2 appropriate information regarding the characteristics
3 of sexually transmitted diseases and acquired immune
4 deficiency syndrome. The state board as part of
5 accreditation standards shall adopt curriculum
6 definitions for implementing the program in grades
7 seven and eight. However, this subsection shall not
8 apply to the teaching of family, consumer, career, and
9 technology education in nonpublic schools.
10 Sec. 3. Section 256.11, subsection 5, paragraph j,
11 unnumbered paragraph 1, Code 2003, is amended to read
12 as follows:

13 One unit of health education which shall include
14 personal health; food and nutrition; environmental
15 health; safety and survival skills; consumer health;
16 family life; medically accurate and age appropriate
17 human growth and development; substance abuse and
18 nonuse; emotional and social health; health resources;
19 and prevention and control of disease, including
20 medically accurate and age appropriate information
21 regarding sexually transmitted diseases and acquired
22 immune deficiency syndrome.

23 Sec. 4. Section 256.11, Code 2003, is amended by
24 adding the following new subsection:

25 **NEW SUBSECTION.** 15. All human growth and
26 development, health education, and family life courses
27 of instruction offered at grade levels six through
28 twelve that discuss sexual activity or behavior shall
29 satisfy the following conditions:

30 a. Information presented in course material and
31 instruction shall be medically accurate and objective.

32 b. All course materials and instruction shall be
33 age and developmentally appropriate.

34 c. Course materials and instruction shall include
35 the following:

36 (1) Parameters for a discussion of sexual
37 abstinence as a method to prevent unintended pregnancy
38 and sexually transmitted diseases such as HIV.

39 (2) Presentation of the latest medically factual
40 information regarding both the possible side effects

41 and health benefits of all forms of contraception.
42 (3) Discussion of the possible consequences of
43 unintended pregnancy and sexually transmitted diseases
44 such as HIV. The materials and instruction shall
45 stress the potentially serious hazards of sexual
46 activity or behavior.
47 (4) Statistics based on the latest medical
48 information citing the failure and success rates of
49 all contraceptive methods for the prevention of
50 pregnancy and sexually transmitted diseases such as

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1 HIV.
2 (5) Provision for the development of positive
3 communication skills that support and maintain healthy
4 relationships and reject unwanted sexual activity.
5 (6) Emphasize a student's power to control
6 personal behavior. Students shall be encouraged to
7 base their actions on reasoning, self-discipline,
8 sense of responsibility, self-control, and ethical
9 considerations, such as respect for oneself and
10 others.
11 (7) Methods that teach students not to make
12 unwanted physical and verbal sexual advances and how
13 to reject unwanted sexual advances. The materials and
14 instruction shall cover verbal, physical, and visual
15 sexual harassment, including nonconsensual sexual
16 advances, nonconsensual physical sexual contact, and
17 rape by an acquaintance. The course materials and
18 instruction shall emphasize personal accountability
19 and respect for others and shall also encourage youth
20 to resist peer pressure.
21 (8) Shall teach that it is wrong to take advantage
22 of or exploit another person.
23 (9) Instruction in the potential legal
24 consequences of sexual assault under the Iowa criminal
25 code.
26 (10) Shall be free of racial, ethnic, and gender
27 biases.
28 (11) Shall teach students about counseling,
29 medical and legal resources available to survivors of
30 sexual abuse and sexual assault, including resources
31 for escaping violent relationships.
32 d. For purposes of this subsection, "HIV" means
33 the same as defined in section 141A.1.
34 e. "Medically accurate", as used in this section,
35 means supported by research conducted in compliance
36 with accepted scientific methods; recognized as
37 accurate and objective by leading professional
38 organizations and agencies with relevant expertise in
39 the field, which may include but shall not be limited

40 to the American college of obstetricians and
41 gynecologists and the centers for disease control and
42 prevention of the United States department of health
43 and human services; and published in peer-reviewed
44 publications where appropriate."

45 2. Title page, line 1, by striking the words
46 "providing for" and inserting the following:
47 "relating to education concerning human growth and
48 development, health education, and family life
49 instruction by school districts and accredited
50 nonpublic schools, and concerning".

Page 4

1 3. By renumbering as necessary.

MASCHER of Johnson

H-1527

1 Amend Senate File 440, as passed by the Senate, as
2 follows:

3 1. Page 1, by striking line 5 and inserting the
4 following: "amount for accredited nonpublic school
5 transportation costs and accredited nonpublic".

6 2. Page 1, line 12, by inserting after the word
7 "for" the following: "accredited".

8 3. Page 1, by striking line 14 and inserting the
9 following: "appropriation is made for a budget year
10 for accredited nonpublic school".

11 4. Title page, line 2, by striking the word
12 "nonpublic" and inserting the following: "accredited
13 nonpublic".

WINCKLER of Scott

H-1528

1 Amend Senate File 440, as passed by the Senate, as
2 follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:
5 "Section 1. NONPUBLIC SCHOOL TEXTBOOK AND
6 TRANSPORTATION ASSISTANCE. There is appropriated from
7 the general fund of the state to the department of
8 education for the fiscal year beginning July 1, 2003,
9 and ending June 30, 2004, the following amounts, or so
10 much thereof as may be necessary, to be used for the
11 purposes designated:

12 1. NONPUBLIC SCHOOL TEXTBOOKS
13 To provide funds for costs of providing textbooks
14 to each resident pupil who attends a nonpublic school

15 as authorized by Code section 301.1:
 16\$ 590,458
 17 2. NONPUBLIC SCHOOL TRANSPORTATION COSTS
 18 To provide funds for payment of nonpublic school
 19 transportation claims pursuant to section 285.2, or
 20 for reimbursement of nonpublic school transportation
 21 expenses pursuant to section 285.3:
 22\$ 7,955,541"
 23 2. Title page, by striking lines 1 and 2 and
 24 inserting the following: "An Act making an
 25 appropriation for nonpublic school textbook and
 26 transportation costs."

LENSING of Johnson

H-1529

1 Amend Senate File 440, as passed by the Senate, as
 2 follows:
 3 1. Page 1, by inserting after line 20 the
 4 following:
 5 "Sec. ____ Section 422.7, Code 2003, is amended by
 6 adding the following new subsection:
 7 NEW SUBSECTION. 39. Add amounts received as
 8 parental reimbursement for nonpublic school
 9 transportation expenses provided pursuant to section
 10 285.3."
 11 2. Title page, line 2, by inserting after the
 12 word "schools" the following: ", and inclusion in
 13 income for state income tax purposes,".
 14 3. By renumbering as necessary.

MASCHER of Johnson

H-1530

1 Amend Senate File 440, as passed by the Senate, as
 2 follows:
 3 1. Page 1, by striking line 3 and inserting the
 4 following:
 5 "1. For the school budget year beginning July 1,
 6 2004, and".
 7 2. Page 1, by inserting after line 20 the
 8 following:
 9 "2. This section is repealed June 30, 2008."

MASCHER of Johnson

H-1531

1 Amend Senate File 440, as passed by the Senate, as
 2 follows:

- 3 1. Page 1, by striking line 3 and inserting the
4 following:
5 "1. For the school budget year beginning July 1,
6 2004, and".
7 2. Page 1, by inserting after line 20 the
8 following:
9 "2. Notwithstanding subsection 1, the amount
10 appropriated for nonpublic school transportation costs
11 shall not exceed one hundred percent of the actual
12 amount required for the payment of transportation
13 claims or reimbursements pursuant to sections 285.2
14 and 285.3, and shall not exceed an amount equivalent
15 to an expenditure of twenty dollars per pupil for the
16 purchase of textbooks pursuant to section 301.1."

LENSING of Johnson

H-1532

- 1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, by inserting before line 1 the
4 following:
5 "Section 1. Section 256D.4, subsection 2,
6 unnumbered paragraph 1, Code 2003, is amended to read
7 as follows:
8 For each fiscal year in the fiscal period beginning
9 July 1, 2001, and ending June 30, ~~2003~~ 2005, moneys
10 appropriated pursuant to section 256D.5, subsection 3,
11 shall be allocated to school districts as follows:
12 Sec. 2. Section 256D.4, subsection 3, Code 2003,
13 is amended to read as follows:
14 3. For each year in which an appropriation is made
15 to the Iowa early intervention block grant program,
16 the department of education shall notify the
17 department of revenue and finance of the amount of the
18 allocation to be paid to each school district as
19 provided in ~~subsections 1 and subsection 2~~. The
20 allocation to each school district shall be made in
21 one payment on or about October 15 of the fiscal year
22 for which the appropriation is made, taking into
23 consideration the relative budget and cash position of
24 the state resources. Moneys received under this
25 section shall not be commingled with state aid
26 payments made under section 257.16 to a school
27 district and shall be accounted for by the local
28 school district separately from state aid payments.
29 Payments made to school districts under this section
30 are miscellaneous income for purposes of chapter 257.
31 A school district shall maintain a separate listing
32 within its budget for payments received and
33 expenditures made pursuant to this section. A school

34 district shall certify to the department of education
35 that moneys received under this section were used to
36 supplement, not supplant, moneys otherwise received
37 and used by the school district.
38 Sec. 3. Section 256D.5, subsection 3, Code 2003,
39 is amended to read as follows:
40 3. For each fiscal year of the fiscal period
41 beginning July 1, 2001, and ending June 30, ~~2003~~ 2005,
42 the sum of thirty million dollars.
43 Sec. 4. Section 256D.9, Code 2003, is amended to
44 read as follows:
45 256D.9 FUTURE REPEAL.
46 This chapter is repealed effective July 1, ~~2003~~
47 2005.
48 2. Page 1, by inserting after line 20 the
49 following:
50 "Sec. ____ EFFECTIVE DATE. Sections 1 through 4

Page 2

1 of this Act, being deemed of immediate importance,
2 take effect upon enactment."
3 3. Title page, line 2, by inserting after the
4 word "circumstances" the following: ", making an
5 appropriation for and extending the existence of the
6 Iowa early intervention block grant program, and
7 providing an effective date".
8 4. By renumbering as necessary.

LENSING of Johnson

H-1533

1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. By striking everything after the enacting
4 clause and inserting the following:
5 "Section 1. TEXTBOOK UTILIZATION STUDY. The
6 department of education shall conduct a study relating
7 to the provision and utilization of textbooks in
8 public and accredited nonpublic elementary and
9 secondary schools in this state. The purpose of the
10 study shall be to determine the practices and
11 procedures which are currently being utilized to
12 maintain and update textbooks, and to identify methods
13 for improving these practices and procedures. The
14 study shall also involve the determination of the
15 level of, and adequacy of, textbook expenditures
16 currently being made per pupil by public and
17 accredited nonpublic schools, and the per pupil amount
18 charged by schools as textbook fees. The study shall
19 be conducted with the assistance of representatives

20 from public and accredited nonpublic schools across
21 the state, in an effort to identify best practices for
22 textbook service utilization. The department shall
23 submit its recommendations and findings in a report to
24 the chairs and ranking members of the house and senate
25 standing committees on education and the education
26 appropriations subcommittee by January 15, 2004."
27 2. Title page, by striking lines 1 and 2 and
28 inserting the following: "An Act providing for a
29 textbook utilization study in elementary and secondary
30 public and accredited nonpublic schools."

STEVENS of Dickinson

H-1534

1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, by inserting after line 20 the
4 following:
5 "Sec. ____ NONPUBLIC SCHOOL EDUCATIONAL ASSESSMENT
6 REPORTING. In the event that legislation is enacted
7 during the Eightieth General Assembly, 2003 Regular
8 Session, requiring the director of the department of
9 education to implement a statewide program of
10 educational assessment reporting, accredited nonpublic
11 schools shall be required to comply with the reporting
12 requirements to the same extent as public school
13 districts."
14 2. Title page, line 2, by inserting after the
15 word "Act" the following: "relating to nonpublic
16 schools, providing for contingent educational
17 assessment reporting requirements, and".
18 3. By renumbering as necessary.

STEVENS of Dickinson

H-1536

1 Amend the amendment, H-1518, to House File 683 as
2 follows:
3 1. Page 2, by inserting after line 48 the
4 following:
5 " ____ Page 8, by striking lines 18 through 26 and
6 inserting the following:
7 "For purposes of reducing tuition costs at the
8 institutions of higher learning under the control of
9 the state board of regents:""
10 2. By striking page 2, line 49 through page 3,
11 line 2 and inserting the following:

12 " _____. By striking page 8, line 32, through page
13 9, line 8."

FALLON of Polk

H-1537

1 Amend the amendment, H-1518, to House File 683 as
2 follows:

3 1. Page 1, by striking lines 40 through 42 and
4 inserting the following:
5 " _____. Page 6, line 23, by inserting after the
6 word "purposes" the following: "as set out in section
7 15E.111. Of the moneys allocated under this
8 subsection, at least \$5,000,000 shall be used to
9 provide financial assistance to producers of food
10 products consumed directly in the state. The
11 financial assistance shall take the form of start-up
12 assistance and assistance in establishing markets".

FALLON of Polk

H-1538

1 Amend the amendment, H-1518, to House File 683 as
2 follows:

3 1. Page 6, by striking lines 33 through 50 and
4 inserting the following:
5 " _____. By striking page 24, line 11, through page
6 25, line 18, and inserting the following: "a fiscal
7 year shall be expended for purposes of reducing
8 tuition costs."
9 2. Page 7, by inserting after line 1 the
10 following:
11 " _____. Page 26, by striking lines 7 through 34."
12 3. By renumbering as necessary.

FALLON of Polk

H-1539

1 Amend the amendment, H-1518, to House File 683 as
2 follows:

3 1. Page 3, by striking lines 3 through 21 and
4 inserting the following:
5 " _____. By striking page 9, line 24, through page
6 10, line 1."
7 2. By striking page 4, line 27, through page 5,
8 line 15, and inserting the following:
9 " _____. By striking page 13, line 32, through page
10 18, line 16."
11 3. Page 7, by inserting after line 8 the

- 12 following:
13 "___ Title page, lines 4 and 5, by striking the
14 words "providing endow Iowa seed grants and endow Iowa
15 tax credits,"."
16 4. By renumbering as necessary.

FALLON of Polk

H-1543

- 1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, line 3, by striking the figure "2004"
4 and inserting the following: "2005".

STEVENS of Dickinson

H-1544

- 1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, by striking lines 13 through 17 and
4 inserting the following: "section 301.1 for
5 textbooks."

MASCHER of Johnson

H-1545

- 1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, by inserting after line 20, the
4 following:
5 "Sec. ___. NEW SECTION. 257.8B STATE PERCENT OF
6 GROWTH - SUPPLEMENTAL AID.
7 For the school budget year beginning July 1, 2003,
8 and succeeding budget years, if the department of
9 management determines that the regular program
10 district cost of a school district for the budget
11 year, as adjusted pursuant to section 257.14 if
12 applicable, is less than an amount corresponding to
13 the product of the state percent of growth for the
14 budget year multiplied by the regular program district
15 cost of the school district for the base year as
16 adjusted pursuant to section 257.14 if applicable, the
17 school district shall be entitled to an additional
18 budget adjustment equal to the difference.
19 There is appropriated from the general fund of the
20 state to the department of management for each fiscal
21 year an amount sufficient to pay the supplemental aid
22 to school districts under this section. Supplemental
23 aid shall be paid in the manner provided in section
24 257.16.

25 Sec.____. EFFECTIVE DATE. This Act, being deemed
26 of immediate importance, takes effect upon enactment."
27 2. Title page, by striking line 2 and inserting
28 the following: "public and nonpublic schools under
29 prescribed circumstances, making an appropriation, and
30 providing an effective date."

WENDT of Woodbury

H-1546

1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, line 17, by inserting after the word
4 "thereafter" the following: ", but shall not exceed
5 an amount per pupil greater than the per pupil amount
6 expended for public school technology assistance".

STEVENS of Dickinson

H-1548

1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, by inserting after line 20 the
4 following:
5 "Sec.____. Section 285.3, Code 2003, is amended by
6 adding the following new subsection:
7 NEW SUBSECTION. 3. Notwithstanding any provision
8 to the contrary, for the school budget year beginning
9 July 1, 2003, and succeeding budget years, parental or
10 legal guardian reimbursement as calculated pursuant to
11 subsection 1 and section 285.1, subsection 3, shall be
12 subject to a percentage reduction if annual parental
13 or legal guardian taxable income exceeds the following
14 designated amounts:
15 a. For income levels at or less than fifty
16 thousand dollars of taxable income per year,
17 reimbursement at one hundred percent of the amount
18 calculated.
19 b. For income levels greater than fifty thousand
20 dollars of taxable income per year, but less than
21 seventy-five thousand dollars of taxable income per
22 year, reimbursement at fifty percent of the amount
23 calculated.
24 c. For income levels at or greater than seventy-
25 five thousand dollars of taxable income per year, but
26 less than one hundred thousand dollars of taxable
27 income per year, reimbursement at twenty-five percent
28 of the amount calculated.
29 d. For income levels at or greater than one
30 hundred thousand dollars of taxable income per year,

31 no reimbursement."

32 2. Title page, line 2, by inserting after the
33 word "circumstances" the following: ", and a
34 percentage reduction in specified state aid for
35 nonpublic school parental reimbursement under
36 specified circumstances".

37 3. By renumbering as necessary.

MASCHER of Johnson

H-1551

1 Amend Senate File 440, as passed by the Senate, as
2 follows:

3 1. Page 1, line 17, by inserting after the word
4 "thereafter." the following: "In the event that an
5 appropriation is made for a budget year for public
6 school technology assistance, for the year following
7 the year in which the appropriation is made and each
8 succeeding year thereafter, public school districts
9 shall receive an amount corresponding to the amount
10 appropriated for the base year increased by an amount
11 corresponding to the state percent of growth
12 established for the budget year pursuant to section
13 257.8."

14 2. Title page, line 1, by inserting after the
15 word "to" the following: "public and".

STEVENS of Dickinson

H-1552

1 Amend Senate File 440, as passed by the Senate, as
2 follows:

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

5 "Section 1. Section 91D.1, subsection 1,
6 paragraphs a and d, Code 2003, are amended to read as
7 follows:

8 a. The hourly wage stated in the federal minimum
9 wage law, pursuant to 29 U.S.C. § 206, shall be
10 increased to ~~\$3.85~~ \$5.65 on January 1 of ~~1990, 2004,~~
11 ~~\$4.25 on January 1 of 1991,~~ and \$4.65 to \$6.15 on
12 January 1 of ~~1992, 2005.~~

13 d. An employer is not required to pay an employee
14 the applicable minimum wage provided in paragraph "a"
15 until the employee has completed ninety calendar days
16 of employment with the employer. An employee who has
17 completed ninety calendar days of employment with the
18 employer prior to January 1 of 1990, 1991, 2004, or
19 1992 January 1, 2005, shall earn the applicable hourly
20 minimum wage. An employer shall pay an employee who

- 21 has not completed ninety calendar days of employment
 22 with the employer an hourly wage of at least \$3.35
 23 ~~\$5.15 as of January 1 of 1990, 2004, \$3.85 as of~~
 24 ~~January 1 of 1991, and \$4.25~~ \$5.65 as of January 1 of
 25 ~~199 2005."~~
- 26 2. Title page, line 1, by inserting after the
 27 word "Act" the following: "relating to income by
 28 increasing the state minimum hourly wage rate and by".
 29 3. By renumbering as necessary.

MASCHER of Johnson

H-1553

- 1 Amend Senate File 440, as passed by the Senate, as
 2 follows:
 3 1. Page 1, by inserting after line 20 the
 4 following:
 5 "Sec. ____ Section 422.12, subsection 2, Code
 6 2003, is amended by striking the subsection."
 7 2. Title page, by striking line 1 and inserting
 8 the following: "An Act relating to tuition tax
 9 credits for individuals for tuition paid to certain
 10 accredited not-for-profit schools and to state aid
 11 provided to".
 12 3. By renumbering as necessary.

MASCHER of Johnson

H-1554

- 1 Amend Senate File 440, as passed by the Senate, as
 2 follows:
 3 1. Page 1, by inserting after line 20 the
 4 following:
 5 "Sec. ____ NEW SECTION. 514C.21 MANDATED
 6 COVERAGE FOR MENTAL HEALTH CONDITIONS.
 7 1. For purposes of this section, unless the
 8 context otherwise requires:
 9 a. "Mental health condition" means a condition or
 10 disorder involving mental illness or alcohol or
 11 substance abuse that falls under any of the diagnostic
 12 categories listed in the mental disorders section of
 13 the international classification of disease, as
 14 periodically revised.
 15 b. "Rates, terms, and conditions" means any
 16 lifetime payment limits, deductibles, copayments,
 17 coinsurance, and any other cost-sharing requirements,
 18 out-of-pocket limits, visit limitations, and any other
 19 financial component of benefits coverage that affects
 20 the covered individual.
 21 2. a. Notwithstanding section 514C.6, a policy or

22 contract providing for third-party payment or
23 prepayment of health or medical expenses shall provide
24 coverage benefits for mental health conditions based
25 on rates, terms, and conditions which are no more
26 restrictive than the rates, terms, and conditions for
27 coverage benefits provided for other health or medical
28 conditions under the policy or contract.

29 Additionally, any rates, terms, and conditions
30 involving deductibles, copayments, coinsurance, and
31 any other cost-sharing requirements shall be
32 cumulative for coverage of both mental health
33 conditions and other health or medical conditions
34 under the policy or contract.

35 b. Coverage required under this subsection shall
36 be as follows:

37 (1) For the treatment of mental illness, coverage
38 shall be for services provided by a licensed mental
39 health professional, or services provided in a
40 licensed hospital or health facility.

41 (2) For the treatment of alcohol or substance
42 abuse, coverage shall be for services provided by a
43 substance abuse counselor, as approved by the
44 department of human services, a licensed health
45 facility providing a program for the treatment of
46 alcohol or substance abuse approved by the department
47 of human services, or a substance abuse treatment and
48 rehabilitation facility, as licensed by the department
49 of public health pursuant to chapter 125.

50 3. This section applies to the following classes

Page 2

1 of third-party payment provider contracts or policies
2 delivered, issued for delivery, continued, or renewed
3 in this state on or after January 1, 2004:

4 a. Individual or group accident and sickness
5 insurance providing coverage on an expense-incurred
6 basis.

7 b. An individual or group hospital or medical
8 service contract issued pursuant to chapter 509, 514,
9 or 514A.

10 c. A plan established pursuant to chapter 509A for
11 public employees.

12 d. An individual or group health maintenance
13 organization contract regulated under chapter 514B.

14 e. An individual or group Medicare supplemental
15 policy, unless coverage pursuant to such policy is
16 preempted by federal law.

17 f. Any other entity engaged in the business of
18 insurance, risk transfer, or risk retention, which is
19 subject to the jurisdiction of the commissioner.

20 g. An organized delivery system licensed by the

21 director of public health.

22 4. The commissioner shall adopt rules to
23 administer this section after consultation with the
24 mental health insurance advisory committee.

25 a. The commissioner shall appoint members to a
26 mental health insurance advisory committee. Members
27 shall include all sectors of society impacted by
28 issues associated with coverage of mental health
29 treatment by third-party payors including, but not
30 limited to, representatives of the insurance industry,
31 small and large employers, employee representatives
32 including labor, individual consumers, health care
33 providers, and other groups and individuals that may
34 be identified by the insurance division of the
35 department of commerce.

36 b. The committee shall meet upon the request of
37 the commissioner to review rules proposed under this
38 section by the commissioner, and to make suggestions
39 as appropriate."

40 2. Title page, line 2, by inserting after the
41 word "circumstances" the following: ", and including
42 third-party payment of health care coverage costs for
43 mental health conditions, including substance abuse
44 treatment services".

45 3. By renumbering, redesignating, and correcting
46 internal references as necessary.

MASCHER of Johnson

H-1555

1 Amend Senate File 440, as passed by the Senate, as
2 follows:

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

5 "Sec. ____ Section 294A.25, Code 2003, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 11. Notwithstanding subsection 1,
8 the moneys appropriated for purposes of this chapter
9 for the fiscal year beginning July 1, 2004, and ending
10 June 30, 2005, and for each fiscal year thereafter,
11 shall be increased, at a minimum, by an amount equal
12 to the state percent of growth, established by the
13 general assembly for the next budget year, over the
14 amount appropriated for purposes of this chapter in
15 the previous fiscal year."

16 2. Title page, line 1, by inserting after the
17 word "to" the following: "school districts and".

18 3. By renumbering as necessary.

STEVENS of Dickinson

H-1556

- 1 Amend Senate File 440, as passed by the Senate, as
- 2 follows:
- 3 1. Page 1, by inserting after line 20 the
- 4 following:
- 5 "Sec. ____ NULLIFICATION OF PHASE III ELIMINATION.
- 6 Notwithstanding any provision to the contrary, the
- 7 provisions of 2003 Iowa Acts, House File 549, if
- 8 enacted, the provisions of 2003 Iowa Acts, House File
- 9 700, if enacted, and the provisions of 2003 Iowa Acts,
- 10 Senate File 458, if enacted, that strike or repeal
- 11 provisions of the Code related to phase III of the
- 12 educational excellence program, are void and shall not
- 13 take effect."
- 14 2. Title page, by striking line 1 and inserting
- 15 the following: "An Act relating to state aid for
- 16 school districts and".
- 17 3. By renumbering as necessary.

MASCHER of Johnson

H-1557

- 1 Amend Senate File 440, as passed by the Senate, as
- 2 follows:
- 3 1. Page 1, by inserting after line 20, the
- 4 following:
- 5 "Sec. ____ Section 284.13, Code 2003, is amended
- 6 by adding the following new subsection:
- 7 NEW SUBSECTION. 5. The moneys appropriated for
- 8 purposes of this chapter for the fiscal year beginning
- 9 July 1, 2003, and ending June 30, 2004, and for each
- 10 fiscal year thereafter, shall be increased, at a
- 11 minimum, by an amount equal to the state percent of
- 12 growth, established by the general assembly for the
- 13 next budget year, over the amount appropriated for
- 14 purposes of this chapter in the previous year."
- 15 2. Title page, line 1, by inserting after the
- 16 word "to" the following: "school districts and".
- 17 3. By renumbering as necessary.

MASCHER of Johnson

H-1559

- 1 Amend the amendment, H-1518, to House File 683 as
- 2 follows:
- 3 1. Page 4, by striking lines 17 through 19 and
- 4 inserting the following:
- 5 " ____ Page 12, by striking lines 32 and 33 and

6 inserting the following: "involved in the production
7 of ethanol or biodiesel."

WATTS of Dallas
J.K. VAN FOSSEN of Scott

H-1560

1 Amend the amendment, H-1518, to House File 683 as
2 follows:

3 1. Page 1, by striking lines 28 through 39 and
4 inserting the following:

5 " _____. Page 5, line 27, by striking the figure
6 "95,000,000", and inserting the following:
7 "50,000,000".

8 _____. Page 5, line 28, by striking the figure
9 "70,000,000", and inserting the following:
10 "50,000,000".

11 _____. Page 5, line 29, by striking the figure
12 "65,000,000", and inserting the following:
13 "50,000,000".

14 _____. Page 5, line 30, by striking the figure
15 "65,000,000", and inserting the following:
16 "50,000,000".

17 _____. Page 5, line 31, by striking the figure
18 "55,000,000", and inserting the following:
19 "50,000,000".

20 2. By striking page 2, line 35, through page 4,
21 line 2, and inserting the following:

22 " _____. By striking page 6, line 34, through page
23 11, line 26."

24 3. By striking page 4, line 27, through page 6,
25 line 5, and inserting the following:

26 " _____. By striking page 13, line 32, through page
27 23, line 17."

28 4. Page 7, by inserting before line 1 the
29 following:

30 " _____. Page 25, line 25, by striking the word
31 "Ten", and inserting the following: "Five".

32 _____. Page 25, line 27, by striking the word
33 "Fifteen", and inserting the following: "Ten".

34 _____. Page 25, line 29, by striking the word
35 "Twenty", and inserting the following: "Fifteen".

36 _____. Page 25, line 31, by striking the word
37 "Twenty-five", and inserting the following:
38 "Twenty".

39 5. Page 7, by striking lines 2 through 8 and
40 inserting the following:

41 " _____. By striking page 26, line 35, through page
42 40, line 35.

43 _____. Title page, by striking lines 4 through 11
44 and inserting the following: "program, creating

- 45 workforce training and economic development funds for
46 community colleges,""
47 6. By renumbering as necessary.

WATTS of Dallas
J.K. VAN FOSSEN of Scott

H-1561

- 1 Amend Senate File 440, as passed by the Senate, as
2 follows:
3 1. Page 1, by striking line 3 and inserting the
4 following:
5 "1. For the school budget year beginning July 1,
6 2004, and".
7 2. Page 1, by inserting after line 20 the
8 following:
9 "2. For the purposes of subsection 1, an
10 appropriation for nonpublic school transportation
11 costs and nonpublic school textbooks corresponding to
12 the amount appropriated for the base year increased by
13 the state percent of growth shall be determined and
14 distributed on a per pupil basis. The department of
15 management shall determine the per pupil cost of
16 nonpublic school transportation and textbook
17 assistance, utilizing the amount appropriated for the
18 school budget year beginning July 1, 2003, as the base
19 year, and shall multiply the state percent of growth
20 established for the budget year pursuant to section
21 257.8 by that amount to determine the additional
22 amount of nonpublic school transportation and textbook
23 assistance per pupil to be provided for the budget
24 year. Nonpublic schools shall certify their actual
25 enrollment to the department of education by October
26 1, annually, and the department of education shall
27 promptly forward this information to the department of
28 management."

STEVENS of Dickinson

H-1568

- 1 Amend House File 679, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 4, line 31, by inserting after the word
4 "period" the following: "for any current or future
5 project which has not been completed".
6 2. Page 5, by inserting after line 3 the
7 following:
8 "Sec. ____ Section 15E.194, Code 2003, is amended
9 by adding the following new subsection:
10 NEW SUBSECTION. 5. In order to assure the

11 retention of existing jobs that would otherwise be
12 lost in connection with an employer currently
13 employing at one place of business at least one
14 thousand employees, the department of economic
15 development may, upon a finding that the employer has
16 made a commitment to invest at least fifteen million
17 dollars to retool or upgrade its facilities, authorize
18 incentives and assistance under section 15E.196 in an
19 amount equal to and on the same basis as if the
20 employer were an eligible business in an enterprise
21 zone."
22 3. By renumbering, relettering, or redesignating
23 and correcting internal references as necessary.

Senate Amendment

H-1569

1 Amend House File 701 as follows:
2 1. By striking everything after the enacting
3 clause and inserting the following:
4 "Section 1. Section 422.4, subsection 1,
5 paragraphs b and c, Code 2003, are amended to read as
6 follows:
7 b. "Cumulative inflation factor" means the product
8 of the annual inflation factor for the ~~1988~~ 2003
9 calendar year and all annual inflation factors for
10 subsequent calendar years as determined pursuant to
11 this subsection. The cumulative inflation factor
12 applies to all tax years beginning on or after January
13 1 of the calendar year for which the latest annual
14 inflation factor has been determined.
15 c. The annual inflation factor for the ~~1988~~ 2003
16 calendar year is one hundred percent.
17 Sec. 2. Section 422.5, subsection 1, paragraphs a
18 through i, Code 2003, are amended by striking the
19 paragraphs and inserting in lieu thereof the
20 following:
21 a. On all taxable income from zero through eight
22 thousand dollars, one and eighty-five hundredths
23 percent.
24 b. On all taxable income exceeding eight thousand
25 dollars but not exceeding forty thousand dollars, five
26 and three-tenths percent.
27 c. On all taxable income exceeding forty thousand
28 dollars but not exceeding sixty thousand dollars, six
29 and thirty-five hundredths percent.
30 d. On all taxable income exceeding sixty thousand
31 dollars, six and four-tenths percent.
32 Sec. 3. Section 422.5, subsection 1, paragraph j,
33 Code 2003, is amended to read as follows:
34 j. (1) The tax imposed upon the taxable income of

35 a nonresident shall be computed by reducing the amount
36 determined pursuant to paragraphs "a" through "d"
37 by the amounts of nonrefundable credits under this
38 division and by multiplying this resulting amount by a
39 fraction of which the nonresident's net income
40 allocated to Iowa, as determined in section 422.8,
41 subsection 2, paragraph "a", is the numerator and the
42 nonresident's total net income computed under section
43 422.7 is the denominator. This provision also applies
44 to individuals who are residents of Iowa for less than
45 the entire tax year.

46 (2) The tax imposed upon the taxable income of a
47 resident shareholder in an S corporation which has in
48 effect for the tax year an election under subchapter S
49 of the Internal Revenue Code and carries on business
50 within and without the state may be computed by

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1 reducing the amount determined pursuant to paragraphs
2 "a" through "d" by the amounts of nonrefundable
3 credits under this division and by multiplying this
4 resulting amount by a fraction of which the resident's
5 net income allocated to Iowa, as determined in section
6 422.8, subsection 2, paragraph "b", is the numerator
7 and the resident's total net income computed under
8 section 422.7 is the denominator. If a resident
9 shareholder has elected to take advantage of this
10 subparagraph, and for the next tax year elects not to
11 take advantage of this subparagraph, the resident
12 shareholder shall not reelect to take advantage of
13 this subparagraph for the three tax years immediately
14 following the first tax year for which the shareholder
15 elected not to take advantage of this subparagraph,
16 unless the director consents to the reelection. This
17 subparagraph also applies to individuals who are
18 residents of Iowa for less than the entire tax year.

19 This subparagraph shall not affect the amount of
20 the taxpayer's checkoff to the Iowa election campaign
21 fund under section 56.18, the checkoff for the fish
22 and game fund in section 456A.16, the credits from tax
23 provided in sections 422.10, 422.11A, and 422.12 and
24 the allocation of these credits between spouses if the
25 taxpayers filed separate returns or separately on
26 combined returns.

27 Sec. 4. Section 422.5, subsection 1, paragraph k,
28 unnumbered paragraph 1, Code 2003, is amended to read
29 as follows:

30 There is imposed upon every resident and
31 nonresident of this state, including estates and
32 trusts, the greater of the tax determined in
33 paragraphs "a" through "d" and "j" or the state

34 alternative minimum tax equal to seventy-five percent
35 of the maximum state individual income tax rate for
36 the tax year, rounded to the nearest one-tenth of one
37 percent, of the state alternative minimum taxable
38 income of the taxpayer as computed under this
39 paragraph.

40 Sec. 5. Section 422.5, subsection 2, Code 2003, is
41 amended to read as follows:

42 2. However, the tax shall not be imposed on a
43 resident or nonresident whose net income, as defined
44 in section 422.7, is ~~thirteen~~ fifteen thousand five
45 ~~hundred~~ dollars or less in the case of married persons
46 filing jointly or filing separately on a combined
47 return, unmarried heads of household, and surviving
48 spouses or ~~nine~~ eleven thousand dollars or less in the
49 case of all other persons; but in the event that the
50 payment of tax under this division would reduce the

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1 net income to less than ~~thirteen~~ fifteen thousand five
2 ~~hundred~~ dollars or ~~nine~~ eleven thousand dollars as
3 applicable, then the tax shall be reduced to that
4 amount which would result in allowing the taxpayer to
5 retain a net income of ~~thirteen~~ fifteen thousand five
6 ~~hundred~~ dollars or ~~nine~~ eleven thousand dollars as
7 applicable. The preceding sentence does not apply to
8 estates or trusts. For the purpose of this
9 subsection, the entire net income, including any part
10 of the net income not allocated to Iowa, shall be
11 taken into account. For purposes of this subsection,
12 net income includes all amounts of pensions or other
13 retirement income received from any source which is
14 not taxable under this division as a result of the
15 government pension exclusions in section 422.7, or any
16 other state law. If the combined net income of a
17 husband and wife exceeds thirteen fifteen thousand
18 ~~five hundred~~ dollars, neither of them shall receive
19 the benefit of this subsection, and it is immaterial
20 whether they file a joint return or separate returns.
21 However, if a husband and wife file separate returns
22 and have a combined net income of ~~thirteen~~ fifteen
23 thousand ~~five hundred~~ dollars or less, neither spouse
24 shall receive the benefit of this paragraph, if one
25 spouse has a net operating loss and elects to carry
26 back or carry forward the loss as provided in section
27 422.9, subsection 3. A person who is claimed as a
28 dependent by another person as defined in section
29 422.12 shall not receive the benefit of this
30 subsection if the person claiming the dependent has
31 net income exceeding ~~thirteen~~ fifteen thousand five
32 ~~hundred~~ dollars or ~~nine~~ eleven thousand dollars as

33 applicable or the person claiming the dependent and
34 the person's spouse have combined net income exceeding
35 ~~thirteen~~ fifteen thousand ~~five hundred~~ dollars or ~~nine~~
36 eleven thousand dollars as applicable.

37 In addition, if the married persons', filing
38 jointly or filing separately on a combined return,
39 unmarried head of household's, or surviving spouse's
40 net income exceeds ~~thirteen~~ fifteen thousand ~~five~~
41 ~~hundred~~ dollars, the regular tax imposed under this
42 division shall be the lesser of the ~~maximum state~~
43 ~~individual income tax rate~~ product of eight percent
44 times the portion of the net income in excess of
45 ~~thirteen~~ fifteen thousand ~~five hundred~~ dollars or the
46 regular tax liability computed without regard to this
47 sentence. Taxpayers electing to file separately shall
48 compute the alternate tax described in this paragraph
49 using the total net income of the husband and wife.
50 The alternate tax described in this paragraph does not

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1 apply if one spouse elects to carry back or carry
2 forward the loss as provided in section 422.9,
3 subsection 3.

4 Sec. 6. Section 422.5, subsection 5, Code 2003, is
5 amended to read as follows:

6 5. Upon determination of the latest cumulative
7 inflation factor, the director shall multiply each
8 dollar amount set forth in subsection 1, paragraphs
9 "a" through "i" "d", of this section by this
10 cumulative inflation factor, shall round off the
11 resulting product to the nearest one dollar, and shall
12 incorporate the result into the income tax forms and
13 instructions for each tax year.

14 Sec. 7. Section 422.9, subsection 1, Code 2003, is
15 amended to read as follows:

16 1. An optional standard deduction, after deduction
17 of federal income tax, equal to one thousand two
18 hundred thirty dollars for a married person who files
19 separately or a single person or equal to three
20 thousand thirty dollars for a husband and wife who
21 file a joint return, a surviving spouse, or an
22 unmarried head of household. The optional standard
23 deduction shall not exceed the amount remaining after
24 deduction of the federal income tax. The amount of
25 federal income taxes deducted shall not exceed the
26 amount as computed under subsection 2, paragraph "b".

27 Sec. 8. Section 422.9, subsection 2, paragraph b,
28 Code 2003, is amended by striking the paragraph and
29 inserting in lieu thereof the following:

30 b. Add the amount of federal income taxes paid in
31 a tax year beginning on or after January 1, 2003, but

32 before January 1, 2006, to the extent the payment is
33 for a tax year beginning prior to January 1, 2003.
34 Subtract the amount of federal income tax refunds
35 received in a tax year beginning on or after January
36 1, 2003, but before January 1, 2006, to the extent
37 that the federal income tax was deducted on an Iowa
38 individual income tax return for a tax year beginning
39 prior to January 1, 2003.

40 Sec. 9. Section 422.11B, Code 2003, is amended to
41 read as follows:

42 422.11B MINIMUM TAX CREDIT.

43 1. There is allowed as a credit against the tax
44 determined in section 422.5, subsection 1, paragraphs
45 "a" through "d" and "j", for a tax year an amount
46 equal to the minimum tax credit for that tax year.
47 The minimum tax credit for a tax year is the
48 excess, if any, of the adjusted net minimum tax
49 imposed for all prior tax years beginning on or after
50 January 1, 1987, over the amount allowable as a credit

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1 under this section for those prior tax years.

2 2. The allowable credit under subsection 1 for a
3 tax year shall not exceed the excess, if any, of the
4 tax determined in section 422.5, subsection 1,
5 paragraphs "a" through "d" and "j", over the state
6 alternative minimum tax as determined in section
7 422.5, subsection 1, paragraph "k".

8 The net minimum tax for a tax year is the excess,
9 if any, of the tax determined in section 422.5,
10 subsection 1, paragraph "k", for the tax year over the
11 tax determined in section 422.5, subsection 1,
12 paragraphs "a" through "d" and "j", for the tax year.

13 The adjusted net minimum tax for a tax year is the
14 net minimum tax for the tax year reduced by the amount
15 which would be the net minimum tax if the only item of
16 tax preference taken into account was that described
17 in paragraph (6) of section 57(a) of the Internal
18 Revenue Code.

19 Sec. 10. APPLICABILITY DATE. This Act applies
20 retroactively to January 1, 2003, for tax years
21 beginning on or after that date."

22 2. Title page, by striking lines 1 through 3 and
23 inserting the following: "An Act relating to the
24 individual income tax by eliminating the deduction for
25 federal taxes paid and adjusting the income tax rates
26 and bracket amounts and including a retroactive
27 applicability date provision."

H-1570

1 Amend House File 701 as follows:

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

4 "Sec. ____ Section 422.9, subsection 1, Code 2003,
5 is amended to read as follows:

6 1. An optional standard deduction, after deduction
7 of federal income tax, equal to one thousand two
8 hundred thirty dollars for a married person who files
9 separately or a single person or equal to three
10 thousand thirty dollars for a husband and wife who
11 file a joint return, a surviving spouse, or an
12 unmarried head of household. The optional standard
13 deduction shall not exceed the amount remaining after
14 deduction of the federal income tax. The amount of
15 federal income taxes deducted shall not exceed the
16 amount as computed under subsection 2, paragraph "b".

17 Sec. ____ Section 422.9, subsection 2, paragraph
18 b, Code 2003, is amended by striking the paragraph and
19 inserting in lieu thereof the following:

20 b. Add the amount of federal income taxes paid in
21 a tax year beginning on or after January 1 of the
22 calendar year in which this Act takes effect, but
23 before January 1 three years following, to the extent
24 the payment is for a tax year beginning prior to
25 January 1 of the calendar year in which this Act takes
26 effect. Subtract the amount of federal income tax
27 refunds received in a tax year beginning on or after
28 January 1 of the calendar year in which this Act takes
29 effect, but before January 1 three years following, to
30 the extent that the federal income tax was deducted on
31 an Iowa individual income tax return for a tax year
32 beginning prior to January 1 of the calendar year in
33 which this Act takes effect."

34 2. Title page, line 2, by inserting after the
35 word "brackets" the following: ", eliminating the
36 deduction for federal income taxes,".

SHOULTZ of Black Hawk

H-1581

1 Amend House File 700 as follows:

2 1. Page 42, by striking lines 13 through 20.
3 2. By renumbering as necessary.

JACOBS of Polk

H-1585

1 Amend Senate File 448, as amended, passed, and

2 reprinted by the Senate, as follows:

3 1. Page 1, by striking lines 12 through 18, and
4 inserting the following:

5 "A person, who has been released under a plan of
6 pretrial release or on the person's own recognizance
7 and who is subsequently arrested for a new criminal
8 offense while under the plan of pretrial release or
9 released on the person's own recognizance, shall not
10 be eligible for another release pursuant to pretrial
11 release guidelines or released on the person's own
12 recognizance, if all of the following apply:

13 1. The arrest for the new criminal offense is
14 based on a set of facts or an event that is different
15 than involved in the earlier arrest.

16 2. The new criminal offense is classified as
17 greater than a serious misdemeanor.

18 However, a person may be admitted to bail if
19 eligible pursuant to section 811.1."

20 2. By striking page 2, line 27, through page 3,
21 line 6.

22 3. By striking page 4, line 13, through page 5,
23 line 25.

24 4. Page 6, line 22, by inserting after the word
25 "amounts" the following: ", except amounts directed
26 to be deposited in the inmate telephone fund
27 established in section 904.508A."

28 5. Page 6, line 24, by inserting after the word
29 "amounts" the following: ", except amounts directed
30 to be deposited in the inmate telephone fund
31 established in section 904.508A."

32 6. Page 7, line 18, by striking the word "rebate"
33 and inserting the following: "rebate".

34 7. Page 7, line 19, by striking the word
35 "rebates" and inserting the following: "rebates
36 calls".

37 8. Page 8, line 12, by inserting after the word
38 "account" the following: ", except amounts directed
39 to be deposited in the inmate telephone fund
40 established in section 904.508A."

41 9. Page 9, by striking lines 14 through 23.

42 10. Page 11, by striking lines 10 through 33.

43 11. Title page, lines 5 and 6, by striking the
44 words "optional inmate treatment and education
45 provision,".

46 12. Title page, by striking lines 10 and 11, and
47 inserting the following: "of restitution,".

H-1587

- 1 Amend House File 700 as follows:
2 1. Page 44, by inserting after line 22 the
3 following:
4 "Sec. ____ CLASSIFICATION OF PICKUP TRUCKS. The
5 state department of transportation shall study a new
6 classification system and definition of pickup trucks
7 used for farm purposes or for commercial and business
8 purposes. Any recommendations and findings of the
9 state department of transportation shall be reported
10 to the general assembly by January 1, 2004."

FALLON of Polk

H-1594

- 1 Amend Senate File 390, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 3, line 26, by inserting after the word
4 "available" the following: ", without charge."
5 2. Page 4, line 17, by inserting after the word
6 "available" the following: ", without charge."
7 3. Page 21, line 6, by inserting after the word
8 "available" the following: ", without charge,".

HOGG of Linn

H-1600

- 1 Amend House File 700 as follows:
2 1. Page 38, by inserting before line 1 the
3 following:
4 "Sec. ____ Section 331.264, subsection 1, if
5 enacted by 2003 Iowa Acts, Senate File 390, section
6 25, is amended to read as follows:
7 1. A local government organization review
8 committee may be created in a county having a
9 population in excess of one hundred thousand. The
10 committee shall be composed of the following members:
11 a. Three city council members appointed by the
12 city council of each participating city with a
13 population of twenty-five thousand or more.
14 b. Three county supervisors appointed by the
15 county board of supervisors.
16 c. One city council member appointed by each
17 participating city with a population of less than
18 twenty-five thousand.
19 d. One member shall be appointed by each state
20 legislator whose legislative district is located in
21 the county if a majority of the constituents of that
22 legislative district reside in the county. However,

23 if a county does not have a state representative's
24 legislative district which has a majority of a state
25 representative's constituency residing in the county,
26 the state representative having the largest plurality
27 of constituents residing in the county shall appoint a
28 member. The member appointed by each state legislator
29 shall be a person who is not holding elected office
30 and who is a resident of the legislative district of
31 the state legislator. If ~~any portion more than one-~~
32 half of the population of a legislative district is in
33 the unincorporated area of the county, the member
34 appointed by that legislator shall be a resident of
35 the unincorporated area of the county.
36 e. ~~Three members~~ One member appointed by the
37 township trustees of all the townships in the county
38 ~~and an additional member appointed by the township~~
39 ~~trustees~~ for each five percent of the total population
40 of the county residing in the unincorporated area of
41 the county. The members shall be residents of the
42 unincorporated area of the county and shall be persons
43 who are not holding elected office other than that of
44 township trustee. The county auditor shall determine
45 the date and location for a meeting of the township
46 trustees of all the townships in the county at which
47 meeting the appointments shall be made and shall
48 provide written notice of the meeting to the trustees.
49 The meeting shall be held in accordance with chapter
50 21.

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- 1 Organization and expenses of the committee are
- 2 subject to section 331.234 as if the committee were a
- 3 city-county consolidation or community commonwealth
- 4 commission. Sections 69.16 and 69.16A shall not apply
- 5 to the committee. However, a city allowed more than
- 6 one appointment shall balance its appointments in
- 7 accordance with sections 69.16 and 69.16A, when
- 8 possible."
- 9 2. Page 46, by inserting after line 30 the
- 10 following:
- 11 "10. The section amending section 331.264, if
- 12 enacted by 2003 Iowa Acts, Senate File 390."
- 13 3. By renumbering as necessary.

ELGIN of Linn

H-1601

- 1 Amend Senate File 390, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 3, line 27, by inserting after the word

4 "copy." the following: "The report shall also be made
5 available by electronic means if the county, or a
6 participating city if applicable, maintains an
7 internet website."

8 2. Page 4, line 20, by inserting after the word
9 "city." the following: "The report shall also be made
10 available by electronic means if the county, or a
11 participating city if applicable, maintains an
12 internet website."

13 3. Page 21, line 9, by inserting after the word
14 "city." the following: "The report shall also be made
15 available by electronic means if the county or a
16 participating city maintains an internet website."

HOGG of Linn

H-1606

1 Amend the amendment, H-1600, to House File 700 as
2 follows:

3 1. Page 1, line 9, by striking the words "one
4 hundred" and inserting the following: "two hundred
5 fifty".

HOGG of Linn

H-1607

1 Amend the amendment, H-1600, to House File 700 as
2 follows:

3 1. Page 1, by striking lines 8 and 9, and
4 inserting the following: "committee may be created in
5 a county. The".

6 2. Page 1, line 36, by striking the words "~~Three~~
7 ~~members~~ One member" and inserting the following:
8 "Three members".

9 3. Page 1, by striking lines 38 and 39, and
10 inserting the following: "and an additional member
11 appointed by the township trustees for each five
12 percent of the total population".

HOGG of Linn

H-1609

1 Amend the amendment, H-1600, to House File 700 as
2 follows:

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

5 "Sec. ____. Section 331.235, subsection 3, Code
6 2003, as amended by 2003 Iowa Acts, Senate File 390,
7 section 5, if enacted, is amended to read as follows:

8 3. Within twenty months after organization, the
9 commission shall submit the final report to the board.
10 If the commission is created pursuant to section
11 331.264, subsection 4, the commission shall submit the
12 final report to the board within five months after
13 submission of the preliminary report to the board
14 pursuant to section 331.264, subsection 3. A
15 commission created pursuant to section 331.264,
16 subsection 4, may adopt a motion granting itself a
17 sixty-day extension of time for submission of its
18 final report. If the commission recommends a charter
19 including a form of government other than the existing
20 form of government, the final report shall include the
21 full text and an explanation of the proposed charter,
22 a statement of alternatives considered including but
23 not limited to the potential for agreements under
24 chapter 28E, a statement of whether the elected
25 officers shall be elected on a partisan or nonpartisan
26 basis, an analysis of the fiscal impact of the
27 proposed charter, any comments deemed desirable by the
28 commission, and any minority reports. The final
29 report may recommend no change to the existing form of
30 government and that no charter be submitted to the
31 electorate, in which case, the report shall state the
32 reasons for and against a change in the existing form
33 of government. The final report shall be made
34 available to the residents of the county upon request.
35 A summary of the final report shall be published in
36 the official newspapers of the county and in a
37 newspaper of general circulation in each participating
38 city."

HOGG of Linn

H-1610

1 Amend the amendment, H-1600, to House File 700 as
2 follows:
3 1. Page 1, by inserting after line 3 the
4 following:
5 "Sec. ____ Section 331.247, subsection 4, as
6 amended by 2003 Iowa Acts, Senate File 390, section
7 11, if enacted, is amended by striking the subsection
8 and inserting in lieu thereof the following:
9 "4. The consolidation charter is adopted only if
10 all of the following apply:
11 a. A majority of the votes cast in the
12 unincorporated area of the county approves the
13 proposal.
14 b. A majority of the votes cast in the entire
15 county approves the proposal.
16 c. A majority of the votes cast in at least one

17 city named on the ballot approves the proposal.
18 Sec.____. Section 331.260, subsection 2,
19 unnumbered paragraph 1, as amended by 2003 Iowa Acts,
20 Senate File 390, section 20, if enacted, is amended to
21 read as follows:

22 A charter proposing a community commonwealth as an
23 alternative form of government may be submitted to the
24 voters only by a commission established under section
25 331.232. A majority vote by the commission is
26 required for the submission of a charter proposing a
27 community commonwealth as an alternative form of local
28 government. The commission submitting a community
29 commonwealth form of government shall issue a final
30 report and proposal. ~~Adoption of the proposed~~
31 ~~community commonwealth charter requires the approval~~
32 ~~of a majority of the votes cast in the entire county.~~
33 ~~A city named on the ballot is included in the~~
34 ~~community commonwealth if the proposed community~~
35 ~~commonwealth charter is approved by a majority of the~~
36 ~~votes cast in the city. The community commonwealth~~
37 ~~charter is adopted only if all of the following apply:~~

38 ~~a. A majority of the votes cast in the~~
39 ~~unincorporated area of the county approves the~~
40 ~~proposal.~~

41 ~~b. A majority of the votes cast in the entire~~
42 ~~county approves the proposal.~~

43 ~~c. A majority of the votes cast in at least one~~
44 ~~city named on the ballot approves the proposal."~~

45 2. By renumbering as necessary.

MERTZ of Kossuth

H-1611

1 Amend the Senate amendment, H-1578, to House File
2 549, as amended, passed, and reprinted by the House,
3 as follows:

4 1. By striking page 2, line 9 through page 4,
5 line 14.

6 2. By renumbering as necessary.

WINCKLER of Scott

RESOLUTIONS ADOPTED

Resolutions adopted during the Eightieth General Assembly, 2003 Session, not otherwise printed in the House Journal.

1 House Concurrent Resolution 8
 2 By Rants and Myers
 3 A concurrent resolution relating to a
 4 biennial memorial session.
 5 *Whereas*, it has been the custom to hold a biennial
 6 memorial session in recognition of the public service
 7 of departed members of the General Assembly; and
 8 *Whereas*, both the House of Representatives and the
 9 Senate desire to participate in such an observance;
 10 *Now Therefore*,
 11 *Be It Resolved By The House of Representatives, The*
 12 *Senate Concurring*, That an evening session of the
 13 Eightieth General Assembly be held in the Senate
 14 Chamber on Wednesday, April 9, 2003, at 7:00 p.m.
 15 *Be It Further Resolved*, That a joint committee of
 16 eight members be appointed, four from the Senate to be
 17 appointed by the President of the Senate, and four
 18 from the House to be appointed by the Speaker of the
 19 House, to make suitable arrangements for a joint
 20 memorial session.

HCR 8 filed February 4, 2003; House Adopted April 1, 2003.

1 House Concurrent Resolution 9
 2 By Gipp and Myers
 3 A concurrent resolution relating to Pioneer
 4 Lawmakers.
 5 *Whereas*, The Eightieth General Assembly is advised
 6 of a meeting of the Pioneer Lawmakers Association to
 7 be held on Wednesday, April 9, 2003; and
 8 *Whereas*, The Pioneer Lawmakers request the
 9 opportunity to meet formally with the General
 10 Assembly; *Now Therefore*,
 11 *Be It Resolved By The House Of Representatives, The*
 12 *Senate Concurring*, That the General Assembly meet in
 13 joint session in the House Chamber on Wednesday, April
 14 9, 2003, at 2:00 p.m. and that the Pioneer Lawmakers
 15 be invited to attend and present a program on that
 16 occasion, and that the Speaker of the House of
 17 Representatives and the President of the Senate be
 18 designated to deliver the invitation to them.

HCR 9 filed February 4, 2003; House Adopted April 1, 2003.

1 House Concurrent Resolution 19
2 By Bell, Gipp, and Eichhorn
3 (Companion To 2312SS By Black)
4 A concurrent resolution urging congressional adoption
5 of a free trade agreement between Taiwan and the
6 United States.
7 *Whereas*, Taiwan and the United States have been
8 important strategic partners for the past half-
9 century; and
10 *Whereas*, the economic ties between the United
11 States and Taiwan are strong as evidenced by the fact
12 that Taiwan was the eighth largest United States
13 trading partner in 2001, ranking 10th in terms of
14 Taiwan exports to the United States, and eighth in
15 terms of United States exports to Taiwan, including
16 significant agricultural exports; and
17 *Whereas*, the economic relationship between the
18 United States and Taiwan is further evidenced by
19 investment activity between the two countries, with
20 total United States investment in Taiwan of \$7.74
21 billion at the end of 2000, and total Taiwan
22 investment in the United States of \$3.22 billion at
23 the end of 2000; and
24 *Whereas*, the United States Congress has recognized
25 the possible benefits of expanded free trade between
26 Taiwan and the United States by requesting the U.S.
27 International Trade Commission to study the
28 possibility of a free trade agreement with Taiwan; and
29 *Whereas*, the U.S. International Trade Commission
30 study found that eliminating trade barriers between

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1 the United States and Taiwan would result in a likely
2 rise of \$3.4 billion in United States exports to
3 Taiwan, with exports of food accounting for about \$520
4 million, and a likely rise of \$7 billion in United
5 States imports from Taiwan; and
6 *Whereas*, the U.S. International Trade Commission
7 further found that eliminating trade barriers between
8 the United States and Taiwan would have a negligible
9 impact on United States production and gross domestic
10 product and would have a small, but positive, impact
11 on the production and gross domestic product of
12 Taiwan; *Now Therefore*,
13 *Be It Resolved By The House Of Representatives, The*
14 *Senate Concurring*, That the Iowa General Assembly
15 strongly urges the President of the United States and
16 Congress to eliminate trade barriers with Taiwan by
17 negotiating and adopting a free trade agreement
18 between the United States and Taiwan; and
19 *Be It Further Resolved*, That copies of this

20 Resolution be sent to the President of the United
21 States, the President of the United States Senate, the
22 Speaker of the United States House of Representatives,
23 and to all members of Iowa's congressional delegation.

HCR 19 filed March 25, 2003; House adopted April 15, 2003.

1 House Concurrent Resolution 21
2 By Huser, Lukan, Horbach, Bell, and Thomas
3 A concurrent resolution relating to federal funding
4 for fire and emergency services and homeland security
5 costs.
6 *Whereas*, a threat continues to exist that
7 terrorists may initiate further attacks on the United
8 States; and
9 *Whereas*, local fire fighters, emergency medical
10 technicians, state and local law enforcement officers,
11 and other first responders will be the first to deal
12 with the consequences of terrorist attacks on the
13 United States; and
14 *Whereas*, Ellen Gordon, the Director of Iowa's
15 Emergency Management Division of the Department of
16 Public Defense and the head of Iowa's homeland
17 security efforts, has completed the preliminary
18 strategic planning to immediately put a portion of any
19 federal dollars obtained for fire and emergency
20 services and homeland security to use at the state and
21 local level in Iowa; *Now Therefore*,
22 *Be It Resolved By The House of Representatives, The*
23 *Senate Concurring*, That the General Assembly of the
24 State of Iowa supports efforts of Iowa's congressional
25 delegation to obtain federal moneys for Iowa from
26 federal fire and emergency service network and
27 training funds, police officer service network and
28 training funds, and other funds available or that
29 become available in federal homeland security
30 legislation; and

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1 *Be It Further Resolved*, That copies of this
2 Resolution be sent by the Chief Clerk of the House of
3 Representatives to the President of the United States,
4 the President of the United States Senate, the Speaker
5 of the United States House of Representatives, and to
6 all members of Iowa's congressional delegation.

HCR 21 filed April 29, 2003; House adopted May 1, 2003.

House Resolution 5

By B. Hansen and Hoffman

A resolution designating January 29, 2003, as Iowa Insurance Day.

Whereas, the Iowa insurance industry, through its employees and agents, has made a historic contribution to the economic growth and strength of our state and nation; and

Whereas, all Iowans benefit from the financial protections offered by the Iowa insurance industry through the provision of mechanisms to insure the health, life, property, and retirement income of Iowans; and

Whereas, two hundred fifty-seven insurance companies are headquartered in Iowa; and

Whereas, more than 40,000 Iowans work in Iowa's insurance industry, with over 27,000 agents and brokers representing the insurance industry in every county in the state; and

Whereas, the yearly insurance industry payroll for its Iowa employees exceeds \$1.5 billion, 5 percent of the total payroll for all Iowa employees; and

Whereas, Iowa's insurance industry currently accounts for 4 percent of the gross state product, at over \$3.1 billion; *Now Therefore*,

Be It Resolved By The House Of Representatives, That the Iowa House of Representatives designates the day of January 29, 2003, as Iowa Insurance Day and invites the citizens of Iowa to discover and honor the important economic contributions made by the Iowa

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insurance industry.

HR 5 filed January 28, 2003; House adopted January 29, 2003.

House Resolution 9

By Bell, Eichhorn, and Gipp

A resolution supporting a proposal to invite the Republic of China (Taiwan) to participate in the upcoming meeting of the World Health Assembly as an observer.

Whereas, the fifty-sixth World Health Assembly meeting is scheduled to take place May 19 through 28, 2003, in Geneva, Switzerland; and

Whereas, the Republic of China, commonly known as Taiwan, was a founding member of the World Health Organization and participated for 24 years as a full member contributing to achieving the organization's objectives; and

15 *Whereas*, in 1972, in the wake of the admission of
16 the People's Republic of China to the United Nations,
17 Taiwan's membership in the World Health Organization
18 was discontinued; and

19 *Whereas*, Taiwanese health officials and medical
20 professionals have been unable to participate in World
21 Health Organization forums and workshops regarding
22 technological advances in the diagnosis, monitoring,
23 and control of diseases since 1972, and have been
24 denied the right to maintain contact and coordination
25 with the World Health Organization in emergency
26 situations involving the containment and cure of
27 existing and newly emerging infectious diseases; and

28 *Whereas*, Taiwan's location at the juncture of
29 important maritime routes between northeast and
30 southeast Asia has resulted in extensive world trade

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1 with Taiwan, a thriving Taiwanese tourism industry,
2 and a large foreign migrant worker population in
3 Taiwan; and

4 *Whereas*, Taiwan's absence from the World Health
5 Organization system has become a missing link in the
6 global framework of providing health and medical care;
7 and

8 *Whereas*, the granting of observer status to Taiwan
9 would not constitute a challenge to representation by
10 the People's Republic of China in the World Health
11 Organization and would demonstrate that the
12 organization is inclusive with regard to Taiwan's 23
13 million inhabitants; and

14 *Whereas*, as a democratically elected government,
15 the government of Taiwan has a duty and responsibility
16 to ensure that the people of Taiwan are represented in
17 an organization which establishes and oversees an
18 international framework for the control of disease and
19 the promotion of universal health; and

20 *Whereas*, Taiwan has made substantial progress in
21 the health field, has one of the highest life
22 expectancy rates in Asia, has maternal and infant
23 mortality rates comparable to those in western
24 countries, has eradicated infectious diseases such as
25 cholera, smallpox, and the plague, and has been the
26 first country in the region to eradicate polio and
27 provide children with hepatitis B vaccinations; and

28 *Whereas*, Taiwan has expressed a willingness in
29 recent years to provide financial and technological
30 assistance in international aid and health activities

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1 supported by the World Health Organization; *Now*
2 *Therefore,*
3 *Be It Resolved By The House Of Representatives,*
4 That the House of Representatives supports the
5 granting of observer status to Taiwan during the World
6 Health Assembly to be held in May 2003; and
7 *Be It Further Resolved,* That an official copy of
8 this Resolution be prepared and forwarded by the Chief
9 Clerk of the House of Representatives to the governing
10 authority and member states of the World Health
11 Organization, the World Health Assembly, and the
12 governments of Taiwan and of the People's Republic of
13 China.

HR 9 filed February 5, 2003; House adopted April 15, 2003.

1 House Resolution 10
2 By Alons, Boal, Rayhons, De Boef, Freeman, Baudler,
3 Maddox, Tymeson, Greiner, Heaton, Chambers,
4 Eichhorn, Hoffman, Raecker, J. K. Van Fossen, Dix,
5 Huseman, Tjepkes, Boggess, Elgin, Paulsen, Lalk,
6 Lukan, Jenkins, Jacobs, Granzow, D. Hanson,
7 Rasmussen, Schickel, Upmeyer, Dolecheck, Hahn,
8 J. R. Van Fossen, Hutter, S. Olson, Sands, Dennis,
9 Drake, Klemme, Kramer, Kurtenbach, and Arnold
10 A resolution to recognize February 6
11 as Ronald Reagan Day in the State of Iowa.
12 *Whereas,* President Ronald Wilson Reagan, a man of
13 humble background, worked throughout his life serving
14 freedom and advancing the public good, having been
15 employed as an entertainer, union leader, corporate
16 spokesman, Governor of California, and President of
17 the United States; and
18 *Whereas,* Ronald Reagan served with honor and
19 distinction for two terms as the fortieth President of
20 the United States of America, the second term of which
21 he earned the confidence of sixty percent of the
22 electorate and was victorious in forty-nine of the
23 fifty states in the general election, a record
24 unsurpassed in the history of American presidential
25 elections; and
26 *Whereas,* in 1981, when Ronald Reagan was
27 inaugurated President, he inherited a disillusioned
28 nation shackled by rampant inflation and high
29 unemployment; and
30 *Whereas,* during Mr. Reagan's presidency, he worked

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1 in a bipartisan manner to enact his bold agenda of
2 restoring accountability and common sense to
3 government which led to an unprecedented economic
4 expansion and opportunity for millions of Americans;
5 and

6 *Whereas*, Mr. Reagan's commitment to an active
7 social policy agenda for the nation's children helped
8 lower crime and drug use in the nation's communities
9 and neighborhoods; and

10 *Whereas*, President Reagan's commitment to the
11 nation's armed forces contributed to the restoration
12 of pride in America, American values and those
13 cherished by the free world, and prepared America's
14 armed forces to win the Gulf War; and

15 *Whereas*, President Reagan's vision of "peace
16 through strength" led to the end of the Cold War and
17 the ultimate demise of the Soviet Union, guaranteeing
18 basic human rights for millions of people; and

19 *Whereas*, on February 6, 2003, Ronald Reagan will
20 have reached the age of ninety-two years; *Now*
21 *Therefore*,

22 *Be It Resolved By The House of Representatives*,
23 That the Iowa House of Representatives hereby
24 recognizes February 6, 2003, and subsequent annual
25 anniversaries of that date, as Ronald Reagan Day.

HR 10 filed February 5, 2003; House adopted February 6, 2003.

1 House Resolution 15

2 By Boggess, Struyk, Lukan, Roberts, Arnold,
3 Rasmussen, Eichhorn, Whitaker, Swaim, Heaton,
4 Paulsen, Frevert, Hoffman, Wendt, D. Olson,
5 Connors, D. Hanson, Jacobs, Miller, Osterhaus,
6 Alons, Davitt, Stevens, Boal, Dolecheck, Jenkins,
7 Jochum, Heddens, Foege, Whitead, and Jones

8 A resolution urging the United States Postal Service
9 to issue a commemorative postage stamp honoring
10 America's coal miners.

11 *Whereas*, United States coal miners perform a unique
12 and vital service for the nation because without a man
13 or woman at the controls of a dragline or working in a
14 darkened mine shaft, coal would not tumble into the
15 trucks and barges that crisscross the country to power
16 the boilers that generate over 50 percent of the
17 nation's electricity; and

18 *Whereas*, coal miners keep the nation supplied with
19 an energy resource that produces electricity at low
20 cost which makes possible the country's unmatched
21 productivity and prosperity as well as buffering the

22 nation from a dangerous dependence on foreign energy
23 fuels; and
24 *Whereas*, the coal industry in Iowa played an
25 important role in the state's social and economic
26 history by fueling the expansion of railroads, making
27 travel and the shipment of supplies much easier across
28 Iowa; and
29 *Whereas*, the coal mines in central and southern
30 Iowa stimulated industrial activity in an otherwise

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1 largely agricultural state and employed thousands of
2 immigrating miners and their descendants, thereby
3 establishing a cultural diversity that remains to this
4 day; and
5 *Whereas*, coal miners in Iowa and throughout the
6 nation benefited from the labors of John L. Lewis,
7 born in Lucas, Iowa, in 1880, whose organization of
8 coal miners brought better working conditions, wages,
9 benefits, and increased safety to miners across the
10 country, and whose legacy is preserved in the John L.
11 Lewis Memorial Museum of Mining and Labor located in
12 Lucas, Iowa; and
13 *Whereas*, it is fitting and proper that the
14 contributions and sacrifices of these citizens of the
15 United States and Iowa be recognized and honored; *Now*
16 *Therefore*,
17 *Be It Resolved By The House Of Representatives*,
18 That the House of Representatives urges the United
19 States Postal Service to issue a commemorative postage
20 stamp honoring America's coal miners; and
21 *Be It Further Resolved*, That upon adoption, a copy
22 of this Resolution be sent to the United States
23 Postmaster General and to the Citizens' Stamp Advisory
24 Committee, c/o Stamp Development, U.S. Postal Service,
25 475 L'Enfant SW, Room 5670, Washington, D.C. 20260-
26 2437.

HR 5 filed February 13, 2003; House adopted April 16, 2003.

1 House Resolution 16
2 By Smith
3 A resolution honoring the City of Marshalltown on its
4 sesquicentennial year.
5 *Whereas*, the City of Marshalltown, founded in 1853
6 by Henry Anson, who exclaimed, "I've found the
7 prettiest place in Iowa", is celebrating its 150th
8 anniversary; and
9 *Whereas*, Marshalltown is Iowa's fifteenth largest
10 city and is home to several century businesses such as

11 Lennox and Fisher Controls; and
12 *Whereas*, since 1887, Iowa veterans have called
13 Marshalltown home at the Iowa Veterans Home; and
14 *Whereas*, Marshalltown has one of the finest
15 Impressionist and Post-Impressionist art collections
16 in the country at the Fisher Art Gallery; and
17 *Whereas*, Marshalltown is the home of the Iowa State
18 High School Baseball Tournament, the Iowa
19 International Go-cart Raceway, the Big Tree House, and
20 will soon be home of the Heart of Iowa Cultural and
21 Recreation Center; and
22 *Whereas*, Marshalltown is the hometown of Jeff
23 Clement, the national high school home run record
24 holder, and Professional Baseball Hall of Fame
25 inductee "Cap" Anson; and
26 *Whereas*, Marshalltown is the hometown of film stars
27 Jean Seberg, Mary Beth Hurt, and Toby Huss; *Now*
28 *Therefore*,
29 *Be It Resolved By The House Of Representatives*,
30 That the House of Representatives recognizes and

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1 extends its congratulations to the City of
2 Marshalltown on its sesquicentennial anniversary year
3 and for its 150 years of service to its citizens and
4 to the State of Iowa.
5 *Be It Further Resolved*, That an official copy of
6 this Resolution be prepared and presented to the
7 Honorable Floyd Harthun, Mayor of the City of
8 Marshalltown.

HR 16 filed February 17, 2003; House adopted March 4, 2003.

1 House Resolution 18
2 By Ford, Miller, and Berry
3 A resolution recognizing the significant achievements
4 of the Tuskegee Airmen during World War II and the
5 involvement of Iowans in those achievements and
6 expressing appreciation on behalf of the citizens
7 of this state.
8 *Whereas*, even with the World War I record of
9 accomplishment by the graduate black U.S. Army
10 officers of Fort Des Moines' 17th Provisional Training
11 Regiment, racist beliefs persisted within the
12 military, as shown by an Army War College study in
13 1925 that concluded that "blacks lacked intelligence
14 and were cowardly under combat conditions"; and
15 *Whereas*, in spite of the prevalence of racism in
16 this country at the time, the first training facility
17 for black combat pilots was implemented at Moton

18 Field, Tuskegee, Alabama, from 1941-1945; and
19 *Whereas*, of the 992 graduate airmen who became the
20 99th Fighter Squadron, 332nd Fighter Group, and 477th
21 Composite (Bomber) Group, 450 saw combat during World
22 War II, including 200 escort missions without losing a
23 bomber to enemy fighter planes; however, 66 airmen
24 lost their lives in combat or accidents; and
25 *Whereas*, Iowa had 12 graduate airmen, including
26 several of the most notable and a number of others who
27 trained but were "washed out", often for unjust
28 reasons; and
29 *Whereas*, Iowa's initial connection to the airmen
30 was the design of Moton Field at Tuskegee by prominent

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1 black engineer, Archie Alexander, who was a native of
2 Ottumwa and a graduate of the University of Iowa; and
3 *Whereas*, the War Department's civilian pilot
4 training program refused to admit black pilots until
5 licensed pilot and Howard University student Yancy
6 Williams filed suit forcing the Army Air Corps
7 Department to admit blacks to the pilot training
8 program, and in spite of its location in the racially
9 segregated deep south, Tuskegee Institute was selected
10 as the site for the training at Moton Field; and
11 *Whereas*, in April 1943, when the 99th Fighter
12 Squadron deployed to North Africa where allied troops
13 were battling German and Italian forces in the desert
14 and assumed the Red Tail as their unit color
15 designation, Iowans Maurice Esters, Joseph Gomer, and
16 Luther Smith were part of the first deployment and the
17 "Red Tail Angels" quickly earned a reputation for
18 ferocity in air combat; and
19 *Whereas*, between 1943 and 1945, the Tuskegee Airmen
20 flew 15,533 sorties over North Africa, Italy,
21 Yugoslavia, and Germany, and in addition to the 200
22 flawless bomber escort missions, the airmen destroyed
23 or damaged 409 enemy aircraft and ground targets and
24 sank a German destroyer, and the six Iowans who
25 experienced combat flew over 400 combat missions and
26 won numerous decorations; and
27 *Whereas*, although a half-century has passed, little
28 recognition has been made of the Tuskegee Airmen's
29 perseverance and sacrifice through an incredibly
30 difficult period in American history, and of how these

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1 individuals have continued to contribute to the growth
2 of the nation in careers as physicians, engineers,
3 educators, and a variety of other distinguished

4 professions; *Now Therefore,*
 5 *Be It Resolved By The House Of Representatives,*
 6 That the House of Representatives recognizes the
 7 extraordinary achievements of the Iowans who served as
 8 Tuskegee Airmen, as representative of all who served
 9 as Tuskegee Airmen, and expresses the grateful
 10 appreciation of the citizens of this state for that
 11 service; and
 12 *Be It Further Resolved,* That the Chief Clerk of the
 13 House of Representatives shall provide an official
 14 copy of this resolution to the Iowans who brought
 15 distinction to themselves and to this state by serving
 16 as Tuskegee Airmen.

HR 18 filed February 24, 2003; House adopted February 24, 2003.

1 House Resolution 19
 2 By Heaton
 3 (Companion To LSB 2305SS By Fraise)
 4 A resolution honoring Iowa Wesleyan College and its
 5 Responsible Social Involvement Program.
 6 *Whereas,* Iowa Wesleyan College, founded in 1842 in
 7 Mt. Pleasant, Iowa, is one of the oldest, private,
 8 coeducational colleges west of the Mississippi River;
 9 and
 10 *Whereas,* Iowa Wesleyan College has adopted a unique
 11 vision that focuses on integrating academic curriculum
 12 with the learning of real life skills through
 13 community service; and
 14 *Whereas,* on February 27, 2003, Iowa Wesleyan
 15 College will be celebrating one million hours of
 16 volunteer community service through the College's
 17 Responsible Social Involvement Program; and
 18 *Whereas,* as part of the Responsible Social
 19 Involvement Program, students at Iowa Wesleyan have
 20 contributed to meeting the needs of innumerable
 21 persons, assisted worthy organizations, and developed
 22 partnerships and programs in various communities,
 23 while granting the students academic credit and also
 24 providing them with hands-on experience that cannot be
 25 found in any textbook or classroom; and
 26 *Whereas,* the State of Iowa takes great pride in the
 27 success and achievements of the Responsible Social
 28 Involvement Program at Iowa Wesleyan College in Mt.
 29 Pleasant, Iowa; *Now Therefore,*
 30 *Be It Resolved By The House Of Representatives,*

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1 That the House of Representatives recognize and honor
 2 Iowa Wesleyan College for its contributions to the

3 State of Iowa and to its students, and extend
4 congratulations to Iowa Wesleyan College on one
5 million hours of community service.
6 Be It Further Resolved, That an official copy of
7 this resolution be prepared and presented to the
8 President of Iowa Wesleyan College and representatives
9 of the student body.

HR 19 filed February 24, 2003; House adopted February 25, 2003.

1 House Resolution 26
2 By Boggess
3 (Companion To LSB 2661SS By Houser)
4 A resolution honoring the City of Clarinda on its
5 sesquicentennial year.
6 *Whereas*, the City of Clarinda, first platted in
7 1853, is celebrating its 150th anniversary; and
8 *Whereas*, Clarinda is the birthplace of big band
9 leader Glenn Miller, actor Billy Aaron Brown, and
10 actress Marvel Marilyn Maxwell, and is the boyhood
11 hometown of television personality Johnny Carson and
12 former U.S. Congressman William Hepburn; and
13 *Whereas*, Clarinda is the home to the Clarinda A's
14 collegiate baseball organization, the Nodaway Valley
15 Historical Museum, and is the birthplace of the 4-H
16 International Movement; and
17 *Whereas*, the economic development in Clarinda is
18 based in such dynamic and long-standing businesses as
19 the Lisle Corporation, NSK & NSK/AKS, the Clarinda
20 Treatment Complex, the Clarinda Academy, H & H Cargo,
21 Weil's Clothing, Taylor Pharmacy, and Easter's True
22 Value; and
23 *Whereas*, Clarinda is committed to its future and
24 its youth through the Clarinda Community School
25 District, the Clarinda Lutheran School, Iowa Western
26 Community College, the Clarinda Lied Recreation
27 Center, and the Clarinda Conservation Service; and
28 *Whereas*, Clarinda will celebrate its 150th
29 anniversary during a three-day festival, August 29-31,
30 2003, featuring an all-class reunion, parade, pancake

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1 feed, tractor show, and quilt show; *Now Therefore*,
2 *Be It Resolved By The House Of Representatives*,
3 That the House of Representatives recognize and extend
4 its congratulations to the City of Clarinda on its
5 sesquicentennial anniversary year and for its 150
6 years of service to its citizens and to the State of
7 Iowa.
8 *Be It Further Resolved*, That an official copy of

9 this Resolution be prepared and presented to the
10 Honorable Frank Snyder, Mayor of the City of Clarinda.

HR 26 filed February 28, 2003; House adopted March 3, 2003.

1 House Resolution 27
2 By Stevens
3 A resolution congratulating Stephanie A. Moore on her
4 service as Miss Iowa.
5 *Whereas*, the Miss America Contest provides an
6 opportunity for young women in Iowa to compete for the
7 honor of representing the State of Iowa in national
8 competition; and
9 *Whereas*, the Miss America program supports the
10 educational endeavors of young women by awarding a
11 substantial amount of scholarships to contestants; and
12 *Whereas*, Stephanie A. Moore, the winner of this
13 state's Miss America contest, has capably represented
14 the State of Iowa in national competition and has
15 devoted countless hours in public appearances
16 throughout the state during her year reign as Miss
17 Iowa; and
18 *Whereas*, Stephanie A. Moore, during her current
19 reign as Miss Iowa, has served capably as a state
20 spokesperson for the National Mentoring Partnership
21 and Iowa Mentoring Partnership; *Now Therefore*,
22 *Be It Resolved By The House Of Representatives*,
23 That the Iowa House of Representatives congratulates
24 Stephanie A. Moore, crowned as Miss Iowa, and this
25 state's representative in the Miss America Contest,
26 for capably and honorably representing the state.

HR 27 filed March 3, 2003; House adopted March 3, 2003.

1 House Resolution 29
2 By Ford and Hansen
3 A resolution urging the Commissioner of Insurance to
4 solicit slaveholder insurance policy records from the
5 archives of Iowa-licensed insurance companies.
6 *Whereas*, it is estimated that 8 million men and
7 women were enslaved in what is now the United States
8 of America during the period from 1619 to 1865, and as
9 many as 35 million American citizens are descended
10 from those former slaves; and
11 *Whereas*, in other jurisdictions where insurance
12 companies have searched their archives and those of
13 predecessor firms, insurance policy records from the
14 slavery era have been discovered documenting insurance
15 coverage issued to slaveholders for damage to or death
16 of a slave; and

17 *Whereas*, the insurance documents often contain
18 information of historical and genealogical interest to
19 historians and descendants of slaves, including the
20 names of insured slaveholders and the names of slaves
21 covered in the insurance policies; and
22 *Whereas*, details contained in these insurance
23 documents regarding insurance premiums and terms and
24 conditions of coverage provide a unique historical
25 insight into the economics of the former slave
26 economy; and
27 *Whereas*, while most insurers currently doing
28 business in Iowa were incorporated after the end of
29 the slavery era, there may be some insurance companies
30 whose archives contain useful information about

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1 slaveholder insurance policies issued by a predecessor
2 corporation; *Now Therefore*,
3 *Be It Resolved By The House Of Representatives*,
4 That the House of Representatives urges the
5 Commissioner of Insurance to seek information from the
6 archives of insurance companies licensed to do
7 business in this state, including subsidiaries of
8 international insurance corporations, regarding
9 records of any insurance policies issued by an
10 insurance company or a predecessor company during the
11 slavery era providing coverage to a slaveholder for
12 damage to or death of a slave, including the names of
13 any such slaves and slaveholders contained in those
14 records; and
15 *Be It Further Resolved*, That it is the intent of
16 the House of Representatives to rely on the voluntary
17 cooperation and good example of insurers licensed to
18 do business in this state; therefore, the Commissioner
19 of Insurance is asked to seek the slaveholder
20 insurance policy information from such insurers by
21 request; and
22 *Be It Further Resolved*, That the Commissioner of
23 Insurance is requested to report the Commissioner's
24 findings to the General Assembly by December 1, 2004;
25 and
26 *Be It Further Resolved*, That the Chief Clerk of the
27 House of Representatives shall forward a copy of this
28 resolution to the Commissioner of Insurance.

HR 29 filed March 13, 2003; House adopted March 13, 2003.

1 House Resolution 31
2 By Alons, Mertz, Struyk, Huseman, Rayhons, Greimann,
3 Wilderdyke, Jones, Greiner, Whitaker, Hutter, Lukan,

4 Lalk, Roberts, De Boef, Schickel, Boggess, Miller,
5 Gaskill, Heddens, Sands, Eichhorn, D. Hanson,
6 D. Olson, Frevert, and Reasoner
7 A resolution honoring the Iowa State University of
8 Science and Technology Extension for 100 years of
9 service to Iowa.
10 *Whereas*, Iowa State University (ISU) Extension
11 began at the request of the people of Iowa, when in
12 1903, Sioux County farmers from Hull, Iowa, cooperated
13 with the university to bring the land-grant college's
14 programs and services to the people of this state; and
15 *Whereas*, ISU Extension became the model for
16 cooperative extension work that was adopted nationwide
17 in 1914 with the passing of the federal Smith-Lever
18 Act; and
19 *Whereas*, ISU Extension partners with Iowans,
20 including 900 locally elected Extension Council
21 members, to provide research-based learning
22 opportunities to improve quality of life in Iowa; and
23 *Whereas*, ISU Extension embraces the university's
24 strategic goals of learning, discovery, and
25 engagement, and, through an active partnership and
26 presence in every county, provides Iowans with access
27 to the resources of the university and communicates
28 the priorities of the citizens to the university; and
29 *Whereas*, in 2002, more than 665,000 clients had
30 individual contact with extension programs, the

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1 extension distributed more than two million
2 publications in hard copy and three million copies
3 digitally, and extension information was accessed from
4 extension web sites approximately 20 million times,
5 evidence that ISU Extension is well-positioned to
6 support the growth and development of Iowa in the
7 knowledge-based economy and society of the 21st
8 century; and
9 *Whereas*, for the past 100 years, Iowa State
10 University has been helping Iowans become their best
11 and is ready and anxious to begin its next 100 years
12 of service to the state; *Now Therefore*,
13 *Be It Resolved By The House Of Representatives*,
14 That the House of Representatives honors Iowa State
15 University Extension for 100 years of cooperative
16 services and programs to Iowa and joins in celebrating
17 April 7, 2003, as the kickoff date for Iowa State
18 University Extension's inaugural celebration of its
19 creation 100 years ago.

House Resolution 35

By Wilderdyke, Drake, and Baudler

A resolution honoring Bob and Sheila Everhart for their efforts to preserve and promote folk, country, and bluegrass music in the Midwest.

Whereas, the State of Iowa enjoys an exceptionally long, proud, and diverse musical heritage with strong roots in folk, country, and bluegrass music; and

Whereas, the members of the House of Representatives welcome with pleasure the opportunity to applaud the achievements of a remarkable couple who have truly distinguished themselves in their efforts to preserve and to promote the time-honored art of folk, country, and bluegrass music: Bob and Sheila Everhart of Anita, Iowa; and

Whereas, this year marks the thirty-first anniversary of the National Traditional Country Music Association established by Bob Everhart in 1972 in order to bring a different type of entertainment and music to this part of the country; and

Whereas, through the leadership and determination of Bob and Sheila Everhart along with the input and contributions of their many volunteers and helpers, the Missouri Valley Old Time Country Music Festival and Contest has enjoyed 28 years of outstanding success as a program aimed at providing excellent quality and wholesome family entertainment; and

Whereas, the Missouri Valley Old Time Country Music Festival and Contest has had a substantial and highly positive impact on the entire western Iowa community

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while attracting many tourists to the area each year, and has maintained an enviable reputation for its role in helping to preserve folk, country, and bluegrass music, a genuine American art form that originated with the homesteaders and pioneers who settled Iowa; and

Whereas, The First Annual Missouri Valley Old Time Country Music Festival and Contest will be held August 25-31, 2003, at the Harrison County Fairgrounds, where top musicians from throughout Iowa, the United States, and around the world will gather to delight fans of all ages and backgrounds; and

Whereas, key events in the upcoming Missouri Valley Old Time Country Music Festival and Contest will include a number of instrument workshops and demonstrations, and many exciting band performances;

Now Therefore,

Be It Resolved By The House Of Representatives,

19 That the members of the House of Representatives
20 hereby join unanimously in commending and applauding
21 Bob and Sheila Everhart and all those individuals who
22 have devoted their time, talents, and resources toward
23 the ongoing success of the Old Time Country Music
24 Festival and Contest for their admirable efforts which
25 have helped to make Missouri Valley "The Old-Time
26 Folk, Country, and Bluegrass Capital of the Midwest"
27 and which have helped to ensure the continued
28 enjoyment of folk, country, and bluegrass music by
29 future generations; and
30 *Be It Further Resolved*, That the Chief Clerk of the

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1 House of Representatives prepare a properly inscribed
2 copy of this Resolution for Bob and Shelia Everhart.

HR 35 filed March 19, 2003; House adopted April 14, 2003

1 House Resolution 39
2 By Lukan, Greiner, De Boef, Tjepkes, Alons,
3 Maddox, Dennis, Watts, Klemme, Rasmussen,
4 Chambers, Huseman, Sands, Heaton, Tymeson,
5 Roberts, Gipp, Carroll, Granzow, D. Hanson,
6 Raecker, Elgin, Freeman, Jenkins, Baudler,
7 Wilderdyke, Rayhons, Boggess, Drake, Paulsen,
8 Hutter, Kurtenbach, Boal, Rants, Manternach,
9 Wise, Greimann, Stevens, Dandekar, Whitaker,
10 Kuhn, Murphy, Struyk, Gaskill, Swaim, Davitt,
11 Bell, Connors, Frevert, Osterhaus, Myers,
12 Jacobs, S. Olson, Thomas, Lalk, Hogg,
13 Horbach, and Hoffman
14 A resolution in support of the men and women serving
15 in the United States Armed Forces in Operation Iraqi
16 Freedom.
17 *Whereas*, the United States of America was founded
18 on the principles of freedom, liberty, and democracy;
19 and
20 *Whereas*, the safety and security, as well as those
21 very principles upon which this nation was founded,
22 have been threatened and harmed by the dangerous,
23 oppressive, and abusive actions of Iraqi leader Saddam
24 Hussein and his regime; and
25 *Whereas*, in response to these threats, President
26 George W. Bush, as Commander in Chief, has mobilized
27 American military personnel in the Iraqi region; and
28 *Whereas*, the men and women of the United States
29 Armed Forces, including members of the Army, Air
30 Force, Navy, Coast Guard, and Marines, are providing

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1 crucial support, skills, and expertise in their
2 efforts to remove Saddam Hussein from power, to free
3 the Iraqi people from his oppressive rule, and to
4 defend and protect all of the innocent victims in Iraq
5 from grave danger; and
6 *Whereas*, the Iowa House of Representatives and the
7 people of Iowa have the greatest pride in the men and
8 women of the United States Armed Forces, including
9 thousands of Iowans serving either on active duty or
10 as a part of a national guard or reserve unit that has
11 been activated in this time of national emergency; *Now*
12 *Therefore*,
13 *Be It Further Resolved By The House Of*
14 *Representatives*, That the Iowa House of
15 Representatives expresses deep gratitude to and
16 respect for the men and women of the Armed Forces, and
17 to their families, for all of their efforts and
18 sacrifices, and prays for their safe return to their
19 home and families; and
20 *Be It Further Resolved*, That suitable copies of
21 this Resolution, duly authenticated by the Chief Clerk
22 of the Iowa House of Representatives, be transmitted
23 to the Honorable George W. Bush, President of the
24 United States, to each member of the Iowa
25 congressional delegation, and to the Governor of the
26 State of Iowa.

HR 39 filed March 24, 2003; House adopted March 24, 2003.

1 House Resolution 41
2 By Paulsen
3 A resolution honoring the town of Troy Mills on
4 its sesquicentennial year.
5 *Whereas*, the town of Troy Mills, founded in 1853,
6 is celebrating its 150th anniversary; and
7 *Whereas*, Troy Mills is a small rural community rich
8 in history and friendly people; and
9 *Whereas*, the economic development in Troy Mills is
10 based in such dynamic businesses as Brislawn Logging,
11 Carson Grain, Gary's Auto, and the Troy Store; and
12 *Whereas*, Troy Mills will celebrate its 150th
13 anniversary during a three-day festival, July 4-6,
14 2003, featuring a parade, car show, rodeo, frog-
15 jumping contest, tractor pull, talent show, and
16 fireworks; *Now Therefore*,
17 *Be It Resolved By The House Of Representatives*,
18 That the House of Representatives recognizes and
19 extends its congratulations to the town of Troy Mills

20 on its sesquicentennial anniversary year and for its
21 150 years of service to its citizens and to the State
22 of Iowa; and
23 *Be It Further Resolved*, That an official copy of
24 this Resolution be prepared and presented to Jack
25 Andrews and Carol Brislawn, citizens of the town of
26 Troy Mills.

HR 41 filed March 25, 2003; House adopted April 17, 2003.

1 House Resolution 42
2 By Mertz, Bell, and Frevort
3 A resolution honoring the City of Whittemore on its
4 quasiquicentennial year.
5 *Whereas*, the City of Whittemore of Kossuth County,
6 first platted in 1878, is celebrating its 125th
7 anniversary; and
8 *Whereas*, Whittemore's first settlers were tough and
9 hardworking, establishing their homes despite a
10 disastrous grasshopper invasion, devastating
11 blizzards, and destructive fires; and
12 *Whereas*, the motto "Whittemore Cares More, Shares
13 More" exemplifies the community's strong moral values
14 and friendly down-to-earth citizens; and
15 *Whereas*, the economic development in Whittemore is
16 based in such dynamic businesses as Elbert Chevrolet,
17 Steier Ag Aviation, West Bend Elevator, Schmitt
18 Hardware, and the Whittemore Golf Club; and
19 *Whereas*, the City of Whittemore will celebrate its
20 125th anniversary June 27-29, 2003, with a parade,
21 antique car show, beard judging contest, softball
22 tournament, and street dance; *Now Therefore*,
23 *Be It Resolved By The House Of Representatives*,
24 That the House of Representatives recognize and extend
25 its congratulations to the City of Whittemore on its
26 quasiquicentennial and for its 125 years of service to
27 its citizens and to the State of Iowa; and
28 *Be It Further Resolved*, That an official copy of
29 this Resolution be prepared and presented to the
30 Honorable Daniel Elbert, Mayor of the City of

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1 Whittemore.

HR 42 filed March 25, 2003; House adopted April 29, 2003.

1 House Resolution 45
2 By Watts, Heaton, Reasoner, Wise, Dolecheck, Boggess,
3 Whitaker, Swaim, Arnold, Jones, Gaskill, B. Hansen,
4 and Struyk

5 A resolution requesting the State Department of
6 Transportation to identify the Mormon Trail route
7 across Iowa on the official Iowa highway map.
8 *Whereas*, in 1846, the year that the State of Iowa
9 was officially admitted to the Union, a tragic series
10 of events forced nearly 20,000 citizens of Nauvoo,
11 Illinois, who were members of the Church of Jesus
12 Christ of Latter-Day Saints, to abandon their homes
13 and seek refuge on the western banks of the
14 Mississippi River; and
15 *Whereas*, in February 1846, severe winter weather
16 froze the river, allowing wagons to cross over into
17 Iowa, but claiming the lives of many who died of
18 extreme exposure; and
19 *Whereas*, parties were eventually organized to
20 transport families and their belongings to a new
21 settlement to be established in the West, and the
22 story of that journey is one of the most tragic, yet
23 triumphant, examples in American history of human
24 determination to survive against overwhelming odds;
25 and
26 *Whereas*, in addition to those who made the original
27 trek across Iowa, Nebraska, and Wyoming on their way
28 into Utah on the route that is now known as the Mormon
29 Trail, many thousands more followed in the years
30 afterward, and today the Mormon Trail is recognized to

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1 be as significant historically as the Oregon Trail and
2 other trails used for westward expansion; and
3 *Whereas*, when the original residents of Nauvoo fled
4 their city, they left behind a temple which was
5 destroyed by mobs and vandals, and the Church of Jesus
6 Christ of Latter-Day Saints has now completed
7 reconstruction of that temple on the original site;
8 and
9 *Whereas*, the rebuilt temple in Nauvoo is an added
10 attraction for descendants of the original residents
11 of the city, who will be traveling to Nauvoo in future
12 years, along with others interested in the history of
13 those people, to visit the home of their ancestors;
14 and
15 *Whereas*, there are several significant Mormon Trail
16 sites along the U.S. Highway 34 corridor across
17 southern Iowa that may represent a tourism opportunity
18 for cities along that corridor; *Now Therefore*,
19 *Be It Resolved By The House Of Representatives*,
20 That the State Department of Transportation is
21 requested to identify the Mormon Trail route across
22 Iowa on the official highway map issued periodically
23 by the Department and made available to the traveling

24 public in publications and at rest areas throughout
25 Iowa.

HR 45 filed March 27, 2003; House adopted April 25, 2003.

1 House Resolution 47
2 By Schickel
3 A resolution honoring the City of Mason City on its
4 sesquicentennial year.
5 *Whereas*, the City of Mason City, first settled in
6 1853, is celebrating its 150th anniversary; and
7 *Whereas*, Mason City is the hometown of Meredith
8 Willson, composer of the Broadway musical "The Music
9 Man", and of his older sister Dixie Willson, writer
10 and poet, is the home of the Music Man Square, and is
11 the host of the annual North Iowa Band Festival; and
12 *Whereas*, Mason City is the home to one of the most
13 famous Prairie School residential developments
14 featuring three Frank Lloyd Wright structures
15 including the Park Inn Hotel, the last remaining hotel
16 designed by Frank Lloyd Wright in the world; and
17 *Whereas*, Mason City is the home of the Charles H.
18 MacNider Art Museum which holds one of the finest
19 American Art collections in the country, and the Mason
20 City Public Library, one of the most beautiful
21 libraries in the country, and is the hometown of Bil
22 Baird, the master puppeteer; and
23 *Whereas*, Mason City is the birthplace of Hanford
24 MacNider, a businessman and philanthropist who served
25 as assistant secretary of war, minister to Canada, and
26 is Iowa's most decorated soldier; and
27 *Whereas*, for almost 100 years, Mason City has been
28 a regional center for the production of cement,
29 employing local workers in a variety of locally,
30 nationally, and internationally owned businesses; and

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1 *Whereas*, Mason City continues to contribute to the
2 culture, well-being, and prosperity of Iowa; the
3 nation, and the world; *Now Therefore*,
4 *Be It Resolved By The House Of Representatives*,
5 That the House of Representatives recognizes and
6 extends its congratulations to the City of Mason City
7 on its sesquicentennial anniversary year and for its
8 150 years of service to its citizens and to the State
9 of Iowa; and
10 *Be It Further Resolved*, That, upon adoption, an
11 official copy of this Resolution be prepared and
12 presented to the Honorable Jean Marinos, Mayor of
13 Mason City.

HR 47 filed March 27, 2003; House adopted April 21, 2003.

1 House Resolution 48
2 By Dix and Foegen
3 A resolution congratulating the 2002-2003 Wartburg
4 College Wrestling Team.
5 *Whereas*, Iowans are justifiably proud of the
6 Wartburg College Knights Wrestling Team of 2002-2003
7 for winning its third NCAA Division III National
8 Championship in the last seven years; and
9 *Whereas*, the Wartburg College Knights Wrestling
10 Team of 2002-2003 earned its third NCAA Division III
11 Championship with a record-setting score by ten All-
12 American team members; and
13 *Whereas*, the Wartburg College Knights Wrestling
14 Team of 2002-2003 set three NCAA Division III
15 Championship records and tied a fourth record in
16 achieving the championship; and
17 *Whereas*, three Wartburg College Knights, senior
18 Heath Ropp of Kalona, senior Wil Kelly of Dubuque, and
19 senior LeRoy Gardner III of Golden Valley, Minnesota,
20 won individual national crowns; and
21 *Whereas*, head coach Jim Miller was named the 2003
22 NCAA Division III National Coach of the Year; and
23 *Whereas*, the Wartburg College Knights Wrestling
24 Team of 2002-2003 won its eleventh straight Iowa
25 Intercollegiate Athletic Conference Wrestling
26 Championship; and
27 *Whereas*, head coach Jim Miller was named the 2003
28 Iowa Intercollegiate Athletic Conference Coach of the
29 Year for the seventh time; and
30 *Whereas*, Wartburg College Knight junior Bart

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1 Mehlert, of La Porte City, was named Dick Walker
2 Outstanding Wrestler at the Iowa Intercollegiate
3 Athletic Conference wrestling meet; and
4 *Whereas*, Bart Mehlert is the tenth Wartburg College
5 wrestler to win the Dick Walker Outstanding Wrestler
6 award, which is named after Wartburg College's former
7 head coach; and
8 *Whereas*, the Wartburg College Knights Wrestling
9 Team was ranked number one in the nation for the
10 entire wrestling season with a 22 and 1 overall dual
11 record; and
12 *Whereas*, the extraordinary success of the Wartburg
13 College Knights Wrestling Team of 2002-2003 is a
14 source of pride for all Iowans; *Now Therefore*,
15 *Be It Resolved By The House Of Representatives*,
16 That the House of Representatives congratulates the

17 Wartburg College Knights Wrestling Team of 2002-2003
18 and Coach Miller on the success of their 2002-2003
19 wrestling season and wishes them continued success in
20 all their future endeavors.

HR 48 filed March 27, 2003; House Adopted March 31, 2003.

1 House Resolution 49
2 By Berry, Shoultz, and Jenkins
3 A resolution honoring the East Waterloo High School
4 Boys' Basketball Team.
5 *Whereas*, the fans of the East Waterloo High School
6 Boys' Basketball Team and the citizens of Iowa have
7 enjoyed the team's exciting season leading up to the
8 state tournament; and
9 *Whereas*, the East Waterloo Boys' Basketball Team
10 demonstrated an exceptional combination of talent,
11 tenacity, and team spirit that earned them the right
12 to compete in the 2003 Iowa Boys' State High School
13 Basketball Tournament; and
14 *Whereas*, the East Waterloo Boys' Basketball Team
15 survived the four-round tournament to win the Class 4A
16 championship game by a decisive score of 72-52; and
17 *Whereas*, the East Waterloo team made its fans
18 particularly proud by earning the Class 4A
19 sportsmanship award; and
20 *Whereas*, the team's accomplishment was further
21 enhanced when two of its players were named to the
22 all-tournament team; and
23 *Whereas*, the tournament win also signaled a
24 milestone in the career of Coach Steve McGraw,
25 bringing him his 500th career victory and his second
26 East Waterloo state championship; and
27 *Whereas*, by their impressive effort throughout the
28 basketball season and their outstanding performance at
29 the 2003 state tournament, the individual members of
30 the East Waterloo Boys' Basketball Team have

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1 demonstrated the kind of character and competitive
2 spirit valued by their high school, their community,
3 and the State of Iowa; *Now Therefore*,
4 *Be It Resolved By The House Of Representatives*,
5 That the Iowa House of Representatives congratulates
6 Coach Steve McGraw and the members of the East
7 Waterloo High School Boys' Basketball Team on their
8 successful season and thanks them for the honor and
9 excitement they brought to their fans and the rest of
10 the citizens of the State of Iowa; and
11 *Be It Further Resolved*, That, upon passage of this

- 12 Resolution, the Chief Clerk of the House of
- 13 Representatives shall prepare a copy of the enrolled
- 14 Resolution for presentation to Coach Steve McGraw and
- 15 the East Waterloo High School Boys' Basketball Team.

HR 49 filed March 31, 2003; House adopted April 3, 2003.

1 House Resolution 50

2 By Lensing, Foege, Mascher, and Myers

3 A resolution honoring the University of Iowa Football

4 Team and Coach Kirk Ferentz.

5 *Whereas*, the citizens of Iowa are justifiably proud
6 that the University of Iowa Hawkeyes Football Team
7 finished its regular season as cochampions of the Big
8 Ten Conference and participated in the Orange Bowl of
9 the Bowl Championship Series; and

10 *Whereas*, the Iowa Football Team finished its season
11 with a record of 11 wins and two losses and a perfect
12 eight wins and zero losses in the Big Ten Conference;
13 and

14 *Whereas*, the Iowa Football Team placed a school
15 record 11 different players on the two First Team All-
16 Big Ten Conference squads, placed five players on
17 First All-America Teams, was the highest scoring team
18 in the Big Ten Conference, and finished the season
19 ranked eighth nationally; and

20 *Whereas*, Coach Kirk Ferentz was named the 2002-2003
21 Associated Press Coach of the Year, the Walter Camp
22 Foundation's Coach of the Year, and the Big Ten
23 Conference Coach of the Year, and Ron Aiken was named
24 NCAA Division I Assistant Football Coach of the Year;
25 and

26 *Whereas*, senior quarterback Brad Banks was named
27 the Big Ten Offensive Player of the Year, the
28 Associated Press National College Football Player of
29 the Year, and finished second in the voting for the
30 Heisman Trophy, and Dallas Clark was winner of the

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1 2002 John Mackey Award as the nation's top tight end,
2 and Nate Kaeding was winner of the 2002 Lou Groza
3 Award as the nation's top placekicker, and Eric
4 Steinbach was named the Big Ten Offensive Lineman of
5 the Year; and

6 *Whereas*, it having been made known to the House of
7 Representatives that the University of Iowa Football
8 Team deserves recognition for all of its
9 accomplishments during the 2002-2003 season; *Now*

10 *Therefore*,

11 *Be It Resolved By The House Of Representatives,*

12 That the House of Representatives congratulates the
13 University of Iowa Football Team, Coach Kirk Ferentz,
14 and the coaching staff, on their successful season and
15 thanks them for the honor and recognition they have
16 brought to the University of Iowa and to the State of
17 Iowa; and
18 *Be It Further Resolved*, That, upon adoption, the
19 Chief Clerk of the House shall prepare an official
20 copy of this Resolution for presentation to Coach Kirk
21 Ferentz and the University of Iowa Football Team.

HR 50 filed April 1, 2003; House adopted April 22, 2003.

1 House Resolution 53
2 By Upmeyer
3 A resolution congratulating the Peace Reformed Church
4 of Garner, Iowa, on its 125th anniversary.
5 *Whereas*, there has been a decline in the number of
6 active rural churches in the state; and
7 *Whereas*, the Peace Reformed Church of Garner, Iowa,
8 has been continuously active as a rural church for the
9 past 125 years; and
10 *Whereas*, the Peace Reformed Church of Garner will
11 mark its 125th anniversary on April 27, 2003; *Now*
12 *Therefore*,
13 *Be It Resolved By The House Of Representatives*,
14 That the Iowa House of Representatives extends its
15 congratulations to the Peace Reformed Church of
16 Garner, Iowa, and the members of its congregation as
17 they celebrate the 125th year of the church's
18 existence.

HR 53 filed April 19, 2003; House adopted April 25, 2003.

1 House Resolution 56
2 By Boddicker
3 A resolution honoring Iowa musicians Don Daugherty and
4 Glenn Dean Goodwin.
5 *Whereas*, Don Daugherty of Cedar Rapids and Glenn
6 Dean Goodwin of Ottumwa have been successful Iowa
7 musicians for over 40 years; and
8 *Whereas*, Mr. Daugherty formed the band The Legends
9 in 1962, and together with Mr. Goodwin they have
10 received numerous awards, and appeared throughout Iowa
11 at major ballrooms opening for many nationally known
12 musical artists; and
13 *Whereas*, Mr. Daugherty and Mr. Goodwin continued to
14 entertain Iowa under the band name The American Legend
15 until assembling the band Nite Moves in 1980 in which
16 these musicians perform across Iowa to the present

17 day; and
18 *Whereas*, The Legends, featuring Don Daugherty and
19 Glenn Dean Goodwin, was inducted into the Iowa Rock 'n
20 Roll Music Association Hall of Fame in 2000; *Now*
21 *Therefore*,
22 *Be It Resolved By The House Of Representatives*,
23 That the House of Representatives recognizes and
24 honors Don Daugherty and Glenn Dean Goodwin for
25 providing their music to the citizens of Iowa for over
26 40 years; and
27 *Be It Further Resolved*, That upon adoption, an
28 official copy of this resolution be presented to Don
29 Daugherty and Glenn Dean Goodwin.

HR 56 filed April 24, 2003; House adopted April 28, 2003.

1 House Resolution 58
2 By Granzow
3 A resolution honoring the city of Buckeye on its
4 centennial year.
5 *Whereas*, the city of Buckeye in Hardin County,
6 Iowa, was first platted in 1901, and incorporated on
7 May 25, 1903; and
8 *Whereas*, the city of Buckeye had 12 businesses and
9 two churches by 1901, 19 additional businesses plus a
10 railroad and post office by 1902, and seven more
11 businesses by 1903; and
12 *Whereas*, the business community of Buckeye now
13 includes a farmers cooperative elevator, the Hawkeye
14 Glove Factory, two beauty shops, and a fire department
15 and first responders unit, and is home to the Peace
16 United Church of Christ and St. Paul Evangelical
17 Lutheran Church; and
18 *Whereas*, the city of Buckeye has 110 residents, is
19 the home of Cleo Reynolds's famous Ice Cream
20 Lollipops, and the city's fire department won over 200
21 trophies for water ball fighting in the 1970s despite
22 never having a water tower on which to practice; and
23 *Whereas*, the city of Buckeye will celebrate its
24 centennial June 20-22, 2003, featuring a parade, car
25 show, antique tractor pull, dancing tractors, dancing
26 and music, fireworks, and baseball and volleyball
27 tournaments; *Now Therefore*,
28 *Be It Resolved By The House Of Representatives*,
29 That the House of Representatives extends its
30 congratulations to the city of Buckeye on its

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1 centennial anniversary year and for its 100 years of
2 service to its citizens and to the State of Iowa; and

3 *Be It Further Resolved*, That upon adoption, an
4 official copy of this resolution be prepared and
5 presented to the Honorable Sandra L. Berndt, Mayor of
6 the city of Buckeye.

HR 58 filed April 28, 2003; House adopted April 29, 2003.

1 House Resolution 60
2 By Granzow
3 A resolution honoring the city of Eldora on its
4 sesquicentennial anniversary year.
5 *Whereas*, the city of Eldora, first settled in 1850
6 and platted in 1853, is celebrating its 150th
7 anniversary; and
8 *Whereas*, Mrs. Lois Beal Edgington, wife of Colonel
9 Samuel R. Edgington, named the city of Eldora after
10 her baby daughter who had died; and
11 *Whereas*, the city of Eldora is the county seat of
12 Hardin County, Iowa, and home to the Hardin County
13 Courthouse which is on the National Registry of
14 Historic Places; and
15 *Whereas*, the city of Eldora is home to numerous
16 businesses and century farms, has served as home to
17 the Iowa State Training School for Boys since 1868,
18 and is the home of Pine Lake State Park, enjoyed by
19 thousands of Iowans annually, which contains Iowa's
20 first man-made lake, Lower Pine Lake; and
21 *Whereas*, the city of Eldora was the home of Boyd
22 Underwood, son of Dr. and Mrs. Boyd Underwood, the
23 first American casualty of the Spanish-American War,
24 and was the home of former Lieutenant Governor Enoch
25 W. Eastman, 1864-1866; *Now Therefore*,
26 *Be It Resolved By The House Of Representatives*,
27 That the House of Representatives recognizes and
28 extends its congratulations to the city of Eldora on
29 the city's sesquicentennial year and for its 150 years
30 of service to its citizens and to the State of Iowa;

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1 and
2 *Be It Further Resolved*, That upon adoption an
3 official copy of this Resolution shall be prepared and
4 presented to the Honorable Timothy Hoy, Mayor of the
5 city of Eldora.

HR 60 filed April 29, 2003; House adopted April 30, 2003.

1 House Resolution 61
2 By Heaton

3 A resolution relating to the shortage of nursing home
4 administrators and requesting the State Board of
5 Examiners for Nursing Home Administrators to make
6 recommendations for addressing the shortage.
7 *Whereas*, there are fewer than 700 actively licensed
8 nursing home administrators in this state to serve 439
9 nursing facilities; and
10 *Whereas*, many of the licensed nursing home
11 administrators have retired, but have maintained an
12 active license; and
13 *Whereas*, less than 4 percent of all actively
14 licensed nursing home administrators in this state are
15 between the ages of 21 to 29, and more than 47 percent
16 are over the age of 50; and
17 *Whereas*, since the adoption of new licensure
18 requirements in 1999, the state has experienced a
19 dramatic decrease of approximately 60 percent in the
20 number of individuals entering the field of nursing
21 home administration; and
22 *whereas*, a majority of licensed nursing home
23 administrators have indicated they would not enter the
24 field of nursing home administration today if they
25 were required to meet current education and practicum
26 requirements; and
27 *Whereas*, seventy-six percent of licensed nursing
28 home administrators recently surveyed identified
29 excessive regulation as their primary reason for
30 leaving the profession, and cited as an additional

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1 reason the inability to find adequate staff amid a
2 shrinking pool of health care workers; *Now Therefore*,
3 *Be It Resolved By The House Of Representatives*,
4 That the State Board of Examiners for Nursing Home
5 Administrators address the shortage of nursing home
6 administrators in this state by reviewing current
7 educational and practicum requirements for nursing
8 home administration and comparing those requirements
9 with the requirements of surrounding states; and
10 *Be It Further Resolved*, That the State Board of
11 Examiners for Nursing Home Administrators consider the
12 development of rules allowing an individual with a
13 four-year degree in either health, business, or human
14 services who has passed the national administrator
15 board examination to obtain a one-year temporary
16 nursing home administrator license and to work under
17 the supervision of a licensed nursing home
18 administrator while obtaining a permanent license.

HR 61 filed April 30, 2003; House adopted May, 1, 2003.

IN MEMORIAM

House

A memorial adopted by the House of Representatives, 2003 Regular Session of the Eightieth General Assembly, commemorating the life, character, and public service of the former members of the House of Representatives.

ROGER A. BROERS..... June 13, 1939 – September 30, 2002

HELEN MARGARET CRABB.. November 11, 1916 – August 15, 2002

WILLARD M. FREED April 12, 1917 – February 6, 2001

LESTER M. FREEMAN..... June 26, 1910 – November 9, 2002

RONALD J. KINZER May 23, 1933 – June 19, 2002

CLYDE L. NORRGARD May 19, 1926 – April 24, 2002

DONALD R. PLATT September 9, 1923 – July 29, 2002

ROGER A. BROERS

Mr. Speaker: Your committee appointed to prepare a suitable resolution commemorating the life, character, and public service of the late Honorable Roger A. Broers begs to submit the following Memorial:

Mr. Broers was born on June 13, 1939, in Rockwell, Iowa, the son of Arthur J. and Alfreda L. (Halboth) Broers. He graduated from Mason City High School in 1957, attended Mason City Junior College and graduated from Wartburg College in Waverly.

He married Carolyn I. Kellogg on August 19, 1961, at St. James Lutheran Church in Mason City.

He went on to receive a master's degree in English from Bemidji State in Bemidji, Minnesota. Roger taught for more than 20 years at Twin Rivers, Nora Springs High School and John Adams Middle School in Mason City. He retired from teaching to farm full-time.

He was elected as a Cerro Gordo county supervisor in 1995 and was re-elected in 1999. He served as president of both the Cerro Gordo County Extension Council and the Burchinal Co-op, and was a member of St. James Lutheran Church and a 4-H Leader.

Mr. Broers, a Republican, served one term in the House of Representatives from 2001-2002.

Mr. Broers died on September 30, 2002 at the age of 63. Mr. Broers is survived by his wife, Carolyn I. Broers, of Mason City; daughters, Karla Broers Geddes and her husband, Miko Ian, of Sheridan, Wyoming; and Deborah Bosch and her husband, Bob J., of North Platte, Nebraska; sisters Jeanette A. Pruin and her husband, Robert, of Seattle, Washington; and Linda L. Terrano and her husband, James, of Lincoln, Nebraska; three aunts, Elsie Broers, of Mason City, Peggy Stephen and her husband, Earl, of Denver, Colorado, and Helen Broers, of Mason City; an uncle, Paul Kruggel, of St. Helens, Oregon, and numerous nieces and nephews.

Now Therefore, Be It Resolved By The House Of Representatives Of The Eightieth General Assembly Of Iowa, That in the passing of the Honorable Roger A. Broers, the State has lost an honored citizen and a faithful and useful public servant, and the House by this Resolution would express its appreciation of his service.

Be It Further Resolved, That a copy of this Resolution be spread upon the Journal of the House, and that the Chief Clerk be directed to forward an enrolled copy to the family of the deceased.

BILL SCHICKEL
MARK KUHN
LINDA UPMEYER
Committee

HELEN MARGARET CRABB

Mr. Speaker: Your committee appointed to prepare a suitable resolution commemorating the life, character, and public service of the late Honorable Helen Margaret Crabb begs to submit the following Memorial:

Helen Margaret Crabb was born on November 11, 1916, in Lavinia, Iowa. She was the daughter of Otis and Jessie Lauder Rohrer. She was educated at the American Institute of Business, Simpson College, and Boulder College. She was a member of the Delta Delta Delta Sorority. She taught school for two years at Jamaica, Iowa, where she met her husband John.

Mrs. Crabb, a Democrat, served two terms in the House of Representatives from 1949-1952. In 1995, she was appointed by the governor to a six year term on the Iowa State Conservation Commission, serving as its Chair in 1960-61.

She served as the President of the Iowa Federation of Women's Clubs from 1964-1966, and was a member of the Iowa Traveling Library Board and the board of Delta Dental.

Helen was a member of the Order of the Eastern Star in Jamaica, and is a Past Worthy Matron. She was a piano teacher in her younger years, and served as a church organist in a number of churches for over 60 years.

In the late 1960's, she began nearly 20 years of active involvement in the development of Lake Panorama in Iowa, and served as a staff member and board member of the Lake Panorama Association for several years.

Mrs. Crabb passed away on August 15, 2002 at the age of 85. She is survived by her husband of 63 years, John, her only child James (Derre Ferdon), of Tucson, and two grandchildren, Kevin Crabb-Lindman (Michelle), of Minneapolis and Kristine, also of Tucson.

Now Therefore, Be It Resolved By The House Of Representatives Of The Eightieth General Assembly Of Iowa, That in the passing of the Honorable Helen Margaret Crabb, the State has lost an honored citizen and a faithful and useful public servant, and the House by this Resolution would express its appreciation of her service.

Be It Further Resolved, That a copy of this Resolution be spread upon the Journal of the House, and that the Chief Clerk be directed to forward an enrolled copy to the family of the deceased.

CLEL BAUDLER
RALPH WATTS
DONOVAN OLSON
Committee

WILLARD M. FREED

Mr. Speaker: Your committee appointed to prepare a suitable resolution commemorating the life, character, and public service of the late Honorable Willard M. Freed begs to submit the following Memorial:

Willard M. Freed was born on April 12, 1917. He was a graduate of Fort Dodge Tobin Business College, took pre-law at the University of Iowa, and received his law degree at Drake University.

He served 50 months with the Thirty-Fourth Infantry Division in World War II. He was with the Commandos during the African Invasion and received the bronze star.

Mr. Freed, a Democrat, served four terms in the House of Representatives, from 1955-1962.

In 1965, he was appointed by the Governor to regulate dairy practices. He was a long-time resident and practicing attorney in Iowa City.

Mr. Freed passed away on February 6, 2001 at the age of 83.

Now Therefore, Be It Resolved By The House Of Representatives Of The Eightieth General Assembly Of Iowa, That in the passing of the Honorable Willard M. Freed, the State has lost an honored citizen and a faithful and useful public servant, and the House by this Resolution would express its appreciation of his service.

Be It Further Resolved, That a copy of this Resolution be spread upon the Journal of the House, and that the Chief Clerk be directed to forward an enrolled copy to the family of the deceased.

DAVE TJEPKES
DOLORES MERTZ
GEORGE EICHHORN
Committee

LESTER M. FREEMAN

Mr. Speaker: Your committee appointed to prepare a suitable resolution commemorating the life, character, and public service of the late Honorable Lester M. Freeman begs to submit the following Memorial:

Lester M. Freeman was born on June 26, 1910 in Boxholm, Iowa. He was the son of August and Elna Freeman. He attended Boxholm Consolidated School and graduated in 1928. He married Leona H. Frederickson.

Mr. Freeman owned and operated grocery stores in Boxholm, Dayton and Gowrie before moving to Spirit Lake in 1951. Mr. Freeman was with the Hotel-Restaurant Division of the Iowa Department of Agriculture from 1952-1964. He owned and operated a resort in Spirit Lake until retiring in 1988, when he returned to Boxholm.

Mr. Freeman, a Republican, served two terms in the House of Representatives, from 1967-1970. In 1969 and 1970, he and his son, Dennis were the first father and son to serve simultaneously in the Iowa House of Representatives.

Mr. Freeman was a member of Spirit Lake Kiwanis, and the Lutheran Church, serving as Deacon and Chairman of the Congregation.

Mr. Freeman passed away on November 9, 2002 at the age of 92. He is survived by his wife, Leona; two sons, DeVere of Ogden and Dennis of Ames; four grandchildren; and eight great-grandchildren.

Now Therefore, Be It Resolved By The House Of Representatives Of The Eightieth General Assembly Of Iowa, That in the passing of the Honorable Lester M. Freeman, the State has lost an honored citizen and a faithful and useful public servant, and the House by this Resolution would express its appreciation of his service.

Be It Further Resolved, That a copy of this Resolution be spread upon the Journal of the House, and that the Chief Clerk be directed to forward an enrolled copy to the family of the deceased.

ROYD CHAMBERS
GREG STEVENS
MARY LOU FREEMAN
Committee

RONALD J. KINZER

Mr. Speaker: Your committee appointed to prepare a suitable resolution commemorating the life, character, and public service of the late Honorable Ronald J. Kinzer begs to submit the following Memorial:

Ronald J. Kinzer was born on May 23, 1933 in Roanoke, Virginia. He was the son of Henry B. and Louise R. Kinzer. He graduated from Dublin High school in 1952. Mr. Kinzer served as Senior Warden of Roosevelt Lodge 626, Davenport, where he was also Past Master.

Mr. Kinzer was a 32nd degree Mason, member of Mohassan Grotto, Fire Bugs, and a former member of Dublin, Virginia Volunteer Fire Department.

He served as a facilitator for drug and alcohol abuse at Genesis Medical Center-West Campus, in Davenport and as a volunteer for the Blue Grass 5K run. He was employed by Iron Workers Local #111, Rock Island as a journeyman iron worker, retiring in 1991. He had served as union president from 1981-1983 and as Iron Workers Apprentice Coordinator from 1988-1991.

Mr. Kinzer, a Democrat, served one term in the House of Representatives, from 1997-1998.

Mr. Kinzer passed away on June 19, 2002 at the age of 69. He is survived by his wife, Betty Lou; a daughter, Robin Lynn Linville, Davenport; sons and daughter-in-law, Craig Kinzer, Bettendorf, Brinson and Donna Kinzer, Blue Grass, Shawn Kinzer;

five grandchildren, Heath, Luke, Whitney, Justin and Kyllie; sisters, Betty Lee Date, Joan Spots, Martha Allman and Patsy Calwell; and a brother, Henry Kinzer.

Now Therefore, Be It Resolved By The House Of Representatives Of The Eightieth General Assembly Of Iowa, That in the passing of the Honorable Ronald J. Kinzer, the State has lost an honored citizen and a faithful and useful public servant, and the House by this Resolution would express its appreciation of his service.

Be It Further Resolved, That a copy of this Resolution be spread upon the Journal of the House, and that the Chief Clerk be directed to forward an enrolled copy to the family of the deceased.

CINDY WINCKLER
JIM LYKAM
J.K. VAN FOSSEN
Committee

CLYDE L. NORRGARD

Mr. Speaker: Your committee appointed to prepare a suitable resolution commemorating the life, character, and public service of the late Honorable Clyde L. Norrgard begs to submit the following Memorial:

Clyde L. Norrgard was born on May 19, 1926 in Mille Lacs County Minnesota. He graduated from Milaca High School in 1944; Bethany College, Lindsborg, Kansas, B.A., 1952; Lutheran School of Theology, Chicago, Illinois, M. Divinity Degree; 1956.

He served in the U.S. Army from 1945-1947. He served church in Vinton, Cedar Rapids, Burlington, Danville, Des Moines and Ottumwa. He also had been a faculty member of Grand View College and an administrator with Hope Haven Development Center I Burlington.

Mr. Norrgard was with Hope Haven Area Development Center since 1974, administrator since 1980. He was President of Iowa Association of Rehabilitation and Residential Facilities from 1984-1985. He was a member of the Private Industry Council, Job Training Partnership Act, Department of Human Services Block Grant Advisory Committee, Bill of Rights for Mentally Retarded/Developmentally Disabled, and Chronically Mentally Ill Persons Advisory Committee.

Mr. Norrgard, a Democrat, served one term in the House of Representatives, from 1987-1988.

Mr. Norrgard passed away on April 24, 2002 at the age of 75. He is survived by his wife, Cathryn; two daughters, Kerry Gerhard of West Liberty and Jeanne Norrgard of San Francisco; two sons, Todd of West Carthage, New York, and Chad of Sioux Falls, South Dakota; two sisters Verna Anderson of Montevideo, Minnesota, and Joyce Burkhalter of Natchitoches, Louisiana; a brother Raymond of Brainerd, Minnesota; and a grandchild. He was preceded in death by his first wife, Dorothy.

Now Therefore, Be It Resolved By The House Of Representatives Of The Eightieth General Assembly Of Iowa, That in the passing of the Honorable Clyde L. Norrgard, the

State has lost an honored citizen and a faithful and useful public servant, and the House by this Resolution would express its appreciation of his service.

Be It Further Resolved, That a copy of this Resolution be spread upon the Journal of the House, and that the Chief Clerk be directed to forward an enrolled copy to the family of the deceased.

DENNIS COHOON
TOM SANDS
DAVE HEATON
Committee

DONALD R. PLATT

Mr. Speaker: Your committee appointed to prepare a suitable resolution commemorating the life, character, and public service of the late Honorable Donald R. Platt begs to submit the following Memorial:

Donald R. Platt was born on September 9, 1923 in Eldridge. He was the son of Ralph and Anne Platt. He graduated from Letts High School in 1942. He married Dorothy McGill of Letts, in 1945.

Mr. Platt served in the Air Force from 1942-1946. He served on the Muscatine Police Department from 1948-1951 followed by 25 years with the Iowa State Patrol. He was a Muscatine City Council member from 1978-1981 and mayor from 1982-1984.

Mr. Platt was a member of the Elks, Masons, Shrine, Transportation and Communications Policy Committee, National League of Cities, Board Area Substance Abuse, Izaak Walton League, and was Director of the Southeast Iowa League.

Mr. Platt, a Republican, served two terms in the House of Representatives from 1985-1988.

Now Therefore, Be It Resolved By The House Of Representatives Of The Eightieth General Assembly Of Iowa, That in the passing of the Honorable Donald R. Platt, the State has lost an honored citizen and a faithful and useful public servant, and the House by this Resolution would express its appreciation of his service.

Be It Further Resolved, That a copy of this Resolution be spread upon the Journal of the House, and that the Chief Clerk be directed to forward an enrolled copy to the family of the deceased.

JAMES HAHN
DAN BODDICKER
TOM SANDS
Committee

JOURNAL INDEX

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(See BOAL, CARMINE—Representative **Polk County**, Assistant Majority Leader)

Libby Jacobs—Representative **Polk County**

(See JACOBS, LIBBY—Representative **Polk County**, Assistant Majority Leader)

Ralph Klemme—Representative **Plymouth-Sioux Counties**

(See KLEMME, RALPH—Representative **Plymouth-Sioux Counties**, Assistant Majority Leader)

Gene Manternach—Representative **Dubuque-Jones Counties**

(See MANTERNACH, GENE—Representative **Dubuque-Jones Counties**, Assistant Majority Leader)

Rod Roberts—Representative **Carroll-Crawford-Sac Counties**

(See ROBERTS, ROD—Representative **Carroll-Crawford-Sac Counties**, Assistant Majority Leader)

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- (See BUKTA, POLLY—Representative **Clinton** County, Assistant Minority Leader)
- Frank Chiodo—Representative **Polk** County (resigned 1/14/03)
(See CHIODO, FRANK—Representative **Polk** County, Assistant Minority Leader)
- Mary Mascher—Representative **Johnson** County
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- Brian Quirk—Representative **Chickasaw-Howard-Winneshiek** Counties
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Amendments offered—1110, 1746
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Resolutions filed—214, 215, 248, 249, 324, 453, 746, 828, 857, 1522
Resolutions offered—1109, 1110
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 Resolutions filed—157, 214, 248, 249, 310, 324, 340, 746, 1256, 1919
 Subcommittee assignments—64, 175, 193, 237, 319, 320, 337, 412, 446, 490, 516,
 517, 531, 556, 700, 701, 740, 856, 901, 920, 1348, 1488

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(See **APPOINTMENTS** and/or **COMMUNICATIONS FROM**, subheading *Reports*
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BODDICKER, DAN—Representative **Cedar-Johnson-Muscatine** Counties

Amendments filed—365, 563, 704, 742, 974, 1004, 1026, 1107, 1169, 1208, 1256
 Amendments offered—1025, 1026, 1206, 1208
 Amendment withdrawn—883
 Bills introduced—61, 66, 109, 165, 168, 207, 250, 325, 335, 383, 421, 497
 Committee appointments—23, 24, 855
 Leave of absences—831, 860, 1297
 Presented to the House musicians Don Daugherty and Glenn Dean Goodwin—1464
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—214, 249, 324, 1256, 1349, 1919
 Resolution offered—1464
 Subcommittee assignments—155, 161, 183, 198, 237, 264, 265, 361, 376, 397, 431,
 432, 447, 488, 489, 490, 539, 548, 556, 701, 740, 741, 856, 1019

BOGGESE, EFFIE LEE—Representative **Fremont-Mills-Page** Counties

Amendments filed—400, 418, 1035, 1153
 Amendments offered—473, 477, 1047
 Bills introduced—20, 67, 81, 164, 207, 252, 325, 368, 421, 509, 523
 Committee appointments—2, 22, 23, 24
 Presented to the House Country Cousins who entertained the House with a musical
 interlude before convening—383
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 248, 249, 310, 324, 339, 459, 634, 746, 874
 Resolutions offered—464, 1139
 Subcommittee assignments—198, 212, 431, 446, 531, 921, 971

Leave of absence—1946

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(See STATE OF THE STATE and BUDGET MESSAGE)

BUKTA, POLLY—Representative Clinton County, Assistant Minority Leader

Amendments filed—742, 783, 901, 923, 924, 925, 1320, 1453

Bills introduced—20, 21, 61, 81, 82, 104, 110, 164, 168, 197, 251, 254, 382, 402, 456,
461, 498, 499, 500, 551, 599

Committee appointments—22, 23, 24, 25, 87

Explanation of vote—1133

Leave of absence—1532

Resolutions filed—79, 214, 215, 249, 310, 324, 364, 452, 453, 857

Subcommittee assignments—411, 412, 446, 490, 740, 1002

CANVASS OF VOTES—

Joint convention—38-39, 88-89

Resolution relating to:

House Concurrent Resolution 1, designating a joint convention for canvass of votes on Monday, January 13, 2003, at 1:30 p.m.; a joint convention on Tuesday, January 14, 2003, at 10:00 a.m. for Governor Thomas J. Vilsack to deliver his condition of the state and budget message—10, 11 adopted, 12 msgd. – S.J. – 16, 17 adopted & msgd. – H.J. – 37.

CARROLL, DANNY—Representative Mahaska-Poweshiek Counties, Speaker Pro Tempore

Amendments filed—418, 453, 466, 690, 925, 946, 963, 1060, 1070, 1340, 1691, 1747

Amendments offered—690, 834, 835, 934, 946, 963, 1068, 1070, 1099, 1340, 1694,
1747

Amendment withdrawn—963

Appointed as teller for canvass of votes—39

Bills deferred, retained on calendar (as acting Speaker)—170, 1222, 1224, 1230, 1472

Bills introduced—20, 66, 67, 81, 207, 250, 251, 325, 341, 357, 388, 421

Bills referred or rereferred (as acting Speaker)—778

Committee appointments—22, 23, 24, 1929

Explanation of votes—515, 738, 876, 900, 999

Leave of absences—640, 712

Presentation of visitors (as acting Speaker)—1000

Presided at sessions of the House—167, 191, 250, 253, 255, 259, 422, 644, 748, 862,
981, 1177, 1206, 1226, 1288, 1472, 1535, 1551, 1698

Remarks—14-15

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—214, 310, 324, 746

Rulings made (as acting Speaker)—986, 990, 1243, 1298, 1300, 1537

Subcommittee assignments—84, 155; 175, 183, 193, 244, 264, 265, 319, 320, 361,
376, 446, 487, 489, 490, 530, 540, 740, 1002, 1019

Took oath of office—13

*Amendments filed—2131, 2211**Amendments offered—2211*

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 877-878, 917-920, 1000-1001, 1030-1033, 1057-1058, 1084-1085, 1148-1151, 1168,
 1202, 1254-1255, 1317-1319, 1520-1521, 1687-1688, 1918

CHAMBERS, ROYD E.—Representative Clay-O'Brien-Osceola-Sioux Counties

Amendments filed—521, 667, 974, 1332, 1531

Amendment offered—690

Bills introduced—20, 67, 81, 158, 164, 207, 251, 325, 383, 421, 498, 499, 859

Committee appointments—16, 22, 23, 24, 853

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 249, 310, 324, 466, 746, 1919

Subcommittee assignments—64, 318, 320, 397, 411, 412, 431, 490, 517, 530, 548,
 700, 921, 1152

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Committee on, appointed—16

Resolution relating to:

House Resolution 2, designate committee to arrange for opening sessions with
 prayer—16 adopted.

Senate Concurrent Resolution 2, relating to compensation of chaplains, officers
 and employees of the 80th general assembly—144, 151, 224 adopted & msgd. -
 H.J. - 328, 333, 590, 596, 738, 778 adopted & msgd. - S.J. - 614, 1102 adopted,
 1108 msgd. - H.J. - 1383.

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Resolutions relating to:

House Concurrent Resolution 4, joint rules of the House and Senate—86, 108, 151 adopted & msgd. — S.J. — 115, 116, 151, 162 adopted & msgd. — H.J. — 217.

Senate Concurrent Resolution 2, relating to compensation of chaplains, officers and employees of the 80th general assembly—144, 151, 224 adopted & msgd. — H.J. — 328, 333, 590, 596, 738, 778 adopted & msgd. — S.J. — 614, 1102 adopted, 1108 msgd. — H.J. — 1383.

Took oath of office—1

Certification of engrossment—2261

Enrolled bills—2262

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Amendments offered—1501, 1502

Bills introduced—20, 21, 81, 82, 104, 110, 165, 168, 197, 382, 402, 498, 499, 552

Committee appointments—23, 24, 854

Leave of absence—719

Requested to be added as a sponsor of HJR 5—483.

Resolutions filed—79, 215, 324, 857

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(See PRESIDENT OF THE UNITED STATES, CONGRESS AND/OR FEDERAL AGENCIES)

CONNORS, JOHN H.—Representative **Polk** County

Amendments filed—453, 494, 742, 782, 783, 923, 924, 925, 1153, 1257, 1744

Amendments offered—510, 1744

Bills introduced—20, 21, 60, 82, 104, 110, 168, 197, 202, 241, 242, 243, 252, 254, 313,
381, 382, 402, 456, 498, 499, 500

Committee appointments—23, 24, 180, 1929

Leave of absence—963

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—79, 214, 215, 249, 310, 324, 339, 364, 417, 452, 746, 857, 874

Subcommittee assignments—161, 198, 236, 264, 330, 331, 360, 376, 397, 412, 431,
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Amendments filed—743, 783, 875, 902, 914, 923, 924, 925, 1523, 1692

Bills introduced—20, 21, 82, 110, 168, 197, 241, 250, 251, 325, 352, 381, 382, 456, 461, 498, 499, 500, 582, 859

Committee appointments—22, 23

Resolutions filed—80, 214, 215, 249, 310, 324, 417, 452, 453, 746, 857

Subcommittee assignments—64, 320, 376, 431, 446, 488, 490, 531, 740, 921, 1168, 1488

DAVITT, MARK—Representative Warren County

Amendments filed—704, 742, 902, 923, 924, 925, 974, 1020, 1048, 1523, 1530, 1531

Bills introduced—82, 110, 165, 168, 197, 251, 352, 381, 382, 498, 499, 500, 523, 599

Committee appointments—22, 24, 38

Explanation of vote—1460

Leave of absence—1359

Resolutions filed—79, 215, 249, 310, 324, 340, 452, 453, 746, 857

Subcommittee assignments—319, 431, 700, 1085

DE BOEF, BETTY—Representative Iowa-Keokuk-Poweshiek-Tama Counties

Bills introduced—20, 66, 67, 81, 164, 207, 216, 251, 325, 353, 382, 383, 390, 463, 498, 784, 859

Committee appointments—22, 23, 24, 53

Leave of absence—470, 508

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 249, 310, 324, 634, 746, 874, 1919

Subcommittee assignments—308, 397, 488, 517, 741, 921, 1085

DENNIS, ERVIN A.—Representative Black Hawk County

Amendments filed—901, 974, 1530

Bills introduced—67, 81, 251, 325, 498, 784, 859

Committee appointments—23, 24, 25

Presented to the House Bobbi Petersen, coach of the University of Northern Iowa Panther's Volleyball team, her staff and the team—1174

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 249, 324, 466, 746, 857

Resolution offered—1174

Subcommittee assignments—64, 161, 182, 183, 236, 237, 244, 360, 397, 412, 487, 490, 516, 871

DIX, BILL—Representative Bremer-Butler Counties

Amendments filed—1061, 1339, 1350, 1383, 1529, 1692, 1700, 1734, 1748, 1754, 1793

Amendments offered—189, 1077, 1338, 1339, 1383, 1529, 1700, 1730, 1734, 1748, 1754, 1793

Bills introduced—20, 252, 325, 468, 479

Committee appointments—22, 23, 24

Leave of absence—640

Presented to the House Nobel Peace Prize Laureate, Dr. Norman E. Borlaug; John Ruan III, Chairman of the World Food Prize Foundation; Ambassador Kenneth Quinn, President of The World Food Prize Foundation and Council of Advisors members—314

Presented to the House members of the 2003 Wartburg College Wrestling Team and head coach Jim Miller—880

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 324, 466, 875

Resolution offered—880

Subcommittee assignments—77, 193, 319, 331, 376, 377, 431, 446, 699, 700, 701, 921, 1002, 1348

DOLECHECK, CECIL—Representative Adams-Montgomery-**Ringgold**-Taylor-Union Counties

Amendments filed—453, 875, 901, 974, 1035

Amendments offered—507, 931

Bills introduced—204, 207, 255, 325, 335, 353, 457, 463, 551, 859

Committee appointments—22, 23, 24

Nominated the Honorable Danny Carroll for Speaker Pro Tempore—13

Remarks—13

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 249, 310, 324, 340, 874

Subcommittee assignments—194, 237, 264, 319, 376, 412, 446, 447, 465, 488, 489, 490, 531, 556, 573, 700, 921, 971, 1085, 1488

DRAKE, JACK—Representative Cass-**Pottawattamie**-Shelby Counties

Amendments filed—494, 875, 974, 1087, 1130, 1153, 1462, 1473

Amendments offered—1197, 1473, 1511

Amendment withdrawn—1197

Bills introduced—20, 66, 67, 81, 104, 191, 325, 345, 454, 468, 498, 859

Committee appointments—22, 23, 24

Explanation of votes—824, 1148, 1167

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 249, 310, 324, 703, 746

Resolution offered—1092

Subcommittee assignments—175, 212, 236, 331, 360, 376, 397, 431, 432, 488, 489, 556, 589, 700, 921, 1001, 1002, 1085

ECONOMIC GROWTH, COMMITTEE ON—

Amendment filed—581

Appointed—22

Bills introduced—426, 467, 468, 469, 506, 538, 564, 584, 598, 599, 601, 608, 635, 636, 637, 638

Recommendations—436, 459, 493, 535, 576-577, 604-605, 873, 1319-1320

Subcommittee assignments—106, 212, 308, 384, 446, 530, 666, 1168

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Amendment filed—494

Amendment offered—1099

Appointed—23

Bills introduced—326, 327, 440, 441, 584, 600, 601

Recommendations—310, 436-437, 493, 559-560, 591-592, 873, 1003, 1059

Subcommittee assignments—64, 193, 194, 237, 319, 320, 376, 384, 412, 446, 447, 465, 490, 530, 531, 548, 700, 740, 1002, 1488

EICHHORN, GEORGE—Representative Franklin-**Hamilton**-Webster-Wright Counties

Amendments filed—563, 667, 703, 704, 782, 808, 828, 858, 875, 925, 967, 968, 974, 1035, 1107, 1153, 1257, 1321, 1493

Amendments offered—649, 722, 729, 808, 967, 968, 1028, 1159, 1161, 1225, 1493
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 Committee appointments—22, 23, 24, 853
 Leave of absence—640
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 248, 249, 324, 339, 351, 466, 634, 828, 973
 Subcommittee assignments—198, 318, 319, 320, 517, 539, 548, 871, 921, 971, 1033

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ELGIN, JEFF—Representative Linn County

Amendments filed—521, 704, 742, 858, 973, 1135, 1757
 Amendments offered—715, 1187, 1866
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 Bills introduced—20, 66, 67, 81, 196, 202, 241, 312, 313, 327, 352, 382, 439, 469
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House File 416—Representative Huser—1133
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House File 516—Representative Foege—876
House File 534—Representative Carroll—738
House File 534—Representative D. Taylor—779
House File 534—Representative Maddox—824
House File 541—Representative Bukta—1133
House File 543—Representatives Alons & Manternach—1916
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House File 545—Representative D. Taylor—779
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House File 551—Representative D. Taylor—779
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House File 560—Representatives Berry & Huseman—869
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House File 561—Representative Foege—876
House File 565—Representative Carroll—738
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House File 575—Representative Wise—824
House File 575—Representative Foege—876
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House File 604—Representative Maddox—824
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House File 616—Representatives Berry & Huseman—869
House File 623—Representative Huser—779
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House File 628—Representative Heaton—1057
House File 633—Representative Stevens—855
House File 633—Representative Foege—876
House File 634—Representative Carroll—900
House File 636—Representative Wise—824
House File 636—Representative Foege—876
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House File 655—Representative Foege—876
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House File 656—Representatives Berry & Huseman—869
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Senate File 134—Representatives Berry & Huseman—869
Senate File 155—Representative Bukta—1133
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Senate File 230—Representative Upmeyer—1018
Senate File 230—Representative Lukan—1029
Senate File 230—Representatives S. Olson & Tjepkes—1030
Senate File 236—Representative Kramer—1148
Senate File 236—Representative Huseman—1167
Senate File 237—Representative Heaton—1057
Senate File 272—Representative Hoffman—1084
Senate File 303—Representatives Drake & Kramer—1148
Senate File 303—Representative Huseman—1167
Senate File 340—Representatives Alons, Boal & Huser—1133
Senate File 340—Representative Huseman—1167
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 Senate File 416—Representative Huseman—1167
 Senate File 424—Representative Maddox—824
 Senate File 425—Representative S. Olson—1030
 Senate File 433, H-1296 & H-1273—Representative Hoffman—1084
 Senate File 433—Representative Hoffman—1084
 Senate File 435—Representative Heaton—1057
 Senate File 436—Representative Kramer—917
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 Senate File 452—Representative Smith—1686
 Senate File 453, H-1481 & H-1482—Representative T. Taylor—1520
 Senate File 453—Representative T. Taylor—1520
 Senate File 459—Representative Manternach—1916

FALLON, ED—Representative Polk County

Amendments filed—619, 624, 667, 742, 828, 875, 923, 924, 925, 1035, 1060, 1257, 1320, 1350, 1548, 1677, 1697, 1744, 1747
 Amendments offered—619, 624, 863, 1222, 1298, 1547, 1548, 1549, 1550, 1554, 1555, 1556, 1557
 Amendments withdrawn—620, 1549, 1551, 1555, 1556, 1557, 1558, 1677, 1747
 Bills introduced—82, 110, 165, 168, 197, 203, 241, 251, 254, 325, 328, 341, 357, 388, 390, 425, 456, 480, 498, 500, 510, 528, 539
 Committee appointments—23, 24
 Leave of absence—403
 Requested to be added as a sponsor of HF 402—514
 Resolutions filed—79, 214, 215, 249, 324, 364, 417, 452
 Subcommittee assignments—337, 391, 412, 431, 516, 556

FEDERAL AGENCIES—

(See PRESIDENT OF THE UNITED STATES, CONGRESS and/or FEDERAL AGENCIES)

FINAL DISPOSITION OF MOTIONS TO RECONSIDER—1920-1921

FOEGE, RO—Representative Johnson-Linn Counties

Amendments filed—563, 704, 742, 783, 923, 924, 925, 1169, 1256, 1531, 1536
 Amendments offered—1531, 1536
 Bills introduced—20, 21, 81, 82, 104, 110, 111, 165, 168, 186, 187, 196, 197, 251, 253, 254, 334, 335, 352, 357, 367, 382, 440, 455, 456, 461, 463, 480, 498, 499, 506, 582, 583
 Committee appointment—23
 Explanation of vote—876
 Leave of absence—747, 785
 Presented to the House members of the 2003 Wartburg College Wrestling Team and head coach Jim Miller—880
 Resolutions filed—214, 215, 249, 324, 340, 365, 417, 452, 453, 703, 857, 875, 923
 Resolutions offered—880, 1224

Subcommittee assignments—183, 198, 244, 319, 320, 360, 376, 447, 488, 490, 517, 530, 740, 827, 1019

Leave of absence—1946

FORD, WAYNE—Representative **Polk** County

Amendments filed—667, 704, 743, 923, 924, 925, 1004, 1257, 1333, 1350, 1722

Amendment offered—1333

Amendments withdrawn—720, 1370

Appointed to Iowa Workforce Development Commission—328

Bills introduced—20, 21, 81, 82, 104, 110, 164, 168, 241, 251, 345, 389, 390, 402, 426, 439, 440, 461, 496, 498, 499, 500, 539, 564, 565, 607, 670

Committee appointments—22, 23, 24

Explanation of vote—515

Leave of absences—422, 443

Resolutions filed—249, 324, 365, 395, 437, 438, 453, 466, 563, 586, 666

Resolutions offered—395, 586

Subcommittee assignments—84, 350, 531

FREEMAN, MARY LOU—Representative **Buena Vista-Sac** Counties

Amendments filed—400, 1153, 1355, 1462, 1531, 1746

Amendment offered—1906

Bills introduced—325, 327, 388, 421, 463, 469, 1044

Committee appointments—23, 24, 853

Leave of absence—746

Petition presented—597

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 310, 324, 466

Resolution offered—1258

Subcommittee assignments—155, 156, 431, 447, 516, 826, 856

FREVERT, MARCELLA R.—Representative **Emmet-Kossuth-Palo Alto** Counties

Amendments filed—742, 783, 923, 924, 925, 933, 1020, 1256, 1332, 1523, 1691

Amendment offered—1754

Amendment withdrawn—933

Bills introduced—20, 21, 81, 82, 104, 110, 165, 168, 197, 203, 241, 254, 312, 327, 352, 402, 456, 457, 461, 498, 499, 500, 599, 859

Committee appointments—22, 24

Explanation of vote—243

Leave of absence—205

Petition presented—668

Presented to the House Laura Fog, Miss Shamrock, her lady-in-waiting Staci Gappu and Denis O' Donovan a member of Irish Parliament—569

Resolutions filed—79, 214, 249, 310, 324, 339, 365, 417, 452, 453, 466, 634, 746, 828, 857, 1020

Subcommittee assignments—175, 319, 432, 488, 516, 700, 901, 1085, 1152, 1348

GASKILL, MARY—Representative **Wapello** County

Amendments filed—742, 783, 902, 923, 924, 925, 1004, 1378, 1379, 1381, 1503

Amendment offered—842

Bills introduced—20, 21, 81, 104, 110, 168, 197, 202, 241, 251, 254, 255, 381, 382, 402, 441, 456, 461, 498, 499, 500, 599, 859

Committee appointments—23, 24, 53

Resolutions filed—79, 214, 215, 249, 324, 417, 452, 453, 634, 746, 857, 874

Resolution offered—1464

Subcommittee assignments—161, 166, 182, 183, 236, 237, 397, 487, 517, 781, 921

GENERAL ASSEMBLY—HOUSE—

(See also ADMINISTRATION AND RULES COMMITTEE in the GENERAL INDEX and/or HOUSE CONCURRENT RESOLUTIONS, HOUSE RESOLUTIONS and SENATE CONCURRENT RESOLUTIONS listed in LEGISLATIVE INDEX VOLUME)

Resolutions relating to:

House Concurrent Resolution 1, designating a joint convention for canvass of votes on Monday, January 13, 2003, at 1:30 p.m.; a joint convention on Tuesday, January 14, 2003, at 10:00 a.m. for Governor Thomas J. Vilsack to deliver his condition of the state and budget message—10, 11 adopted, 12 msgd. – S.J. – 16, 17 adopted & msgd. – H.J. – 37.

House Concurrent Resolution 2, designating a joint convention on Wednesday, January 15, 2003, at 10:00 a.m. for Chief Justice Louis A. Lavarato to deliver his condition of the judicial branch—11 adopted, 12 msgd. – S.J. – 17 adopted & msgd. – H.J. – 37.

House Concurrent Resolution 3, appointment of joint inaugural committee—11, 12 adopted & msgd. – S.J. – 17, 18 adopted & msgd. – H.J. – 38.

House Concurrent Resolution 4, joint rules of the House and Senate—86, 108, 151 adopted & msgd. – S.J. – 115, 116, 151, 162 adopted & msgd. – H.J. – 217.

House Concurrent Resolution 7, requesting legislative council establish an interim study committee to study instant runoff voting—215,

House Concurrent Resolution 8, relating to biennial memorial session—240, 906 adopted, 907 msgd. – S.J. – 721, 751, 755, 782 adopted, 804 msgd. – H.J. – 1023.

House Concurrent Resolution 9, relating to Pioneer Lawmakers—240, 906 adopted, 907 msgd. – S.J. – 722, 751, 755, 782 adopted, 804 msgd. – H.J. 1023.

House Concurrent Resolution 10, requesting establishment of standing Senate and House subcommittees on veterans affairs—310,

House Concurrent Resolution 11, amend the joint rules of the Senate and House relating to fiscal notes—351,

House Concurrent Resolution 15, expressing appreciation of 80th General Assembly to membership of Program Elimination Commission for their efforts on behalf of people of Iowa—452,

House Concurrent Resolution 17, designating March 2003 as Iowa Women's History Month—563,

House Concurrent Resolution 18, designating March 16th annually as Liberty Day—606,

House Concurrent Resolution 23, provide for adjournment sine die—1919,

House Concurrent Resolution 24, provide for adjournment sine die—2259, 2260 adopted & msgd. – S.J. – 1266, 1273, 1271, 1272 adopted & msgd. – H.J. – 2261.

House Resolution 1, designate each member have a secretary—15, 16 adopted.

House Resolution 2, designate committee to arrange for opening sessions with prayer—16 adopted.

House Resolution 4, permanent rules of the House—86, 137 adopted.

House Resolution 5, designating January 29, 2003 as Iowa Insurance Day—184, 192 adopted.

House Resolution 6, relating to House code of ethics—201, 231 adopted.

- House Resolution 7, relating to rules governing lobbyist in the House—201, 234 adopted.
- House Resolution 30, request transition planning group established by DHS complete deliberations and deliver final report prior to adjournment of the 80th General Assembly, 2003 Regular Session—634,
- House Resolution 32, request government oversight committee study nurse staffing levels and mandatory overtime practices involving nurses—634,
- Senate Concurrent Resolution 2, relating to compensation of chaplains, officers and employees of the 80th General Assembly—144, 151, 224 adopted & msgd. – H.J. – 328, 333, 590, 596, 738, 778 adopted & msgd. – S.J. – 614, 1102 adopted, 1108 msgd. – H.J. – 1383.
- Senate Concurrent Resolution 3, requesting establishment of standing Senate and House subcommittees on veterans affairs—157, 166, 186, 190 adopted, 191 msgd. – H.J. – 253, 269, 464 adopted, 483 msgd. – S.J. – 368.
- Senate Concurrent Resolution 9, designate March 2003 as Iowa Women's History Month—440, 460, 467, 470 adopted, 471 msgd. – H.J. – 587, 596,
- Senate Concurrent Resolution 21, provide for adjournment sine die—1212, 1213 adopted & msgd. – H.J. – 1791, 1915, 1916 adopted & msgd. – S.J. – 1220.
- Senate Concurrent Resolution 22, provide for temporary adjournment for purpose of resolving outstanding issues—1256, 1257 adopted & msgd. – H.J. – 1943, 1944,*

GIFTS—

(See AWARDS AND GIFTS)

- GIPP, CHUCK—Representative Allamakee-Winneshiek Counties, Majority Leader
Amendment filed—667
Amendment withdrawn—690
Bills introduced—205, 252, 421, 829, 1146, 1345, 1483
Committee appointments—22
Presented to the House the Honorable Tom Latham, U.S. congressman from the 4th District—383
Presided at sessions of the House—164, 202, 270, 341, 744, 1005, 1088, 1170
Remarks—19-20, 1908-1910
Requested to be added as a sponsor of HF 172—408
Requested to be added as a sponsor of HJR 5—483
Resolutions filed—214, 240, 248, 249, 310, 324, 466, 746, 828, 1256, 1919
Resolutions offered—10, 11, 395, 585, 906, 1916
Special presentation to House Pages—529, 1693-1694

GOVERNMENT OVERSIGHT, COMMITTEE ON—

- Appointed—23
Bills introduced—346, 455, 744, 829, 1066
Recommendations—344, 451, 742, 827-828, 1059
Resolution filed—452
Subcommittee assignment—921

GOVERNOR VILSACK, THOMAS J.—

- Addressed joint convention—54-60, 96-100
Bills signed by—529, 587, 824, 900, 1083-1084, 1105, 1134, 1201, 1252-1253, 1347, 1460-1461, 1484-1486, 1916-1917, 1922-1927
Closing message—1930-1931
Committee to notify and escort—54, 69, 92

Communication from—529, 587, 824, 900, 1083-1084, 1105, 1134, 1201, 1252-1253, 1347, 1460-1461, 1484-1486, 1916-1917, 1922-1928, 1930-1931
 Delivered the condition of the State and Budget Message—54-59
 Delivered the inaugural address—96-100
 Item veto messages—1927-1928
 Item veto messages after session—2265-2267
 Resolution relating to the condition of the State Message and Budget Message, House Concurrent Resolution 1, designating a joint convention for canvass of votes on Monday, January 13, 2003, at 1:30 p.m.; a joint convention on Tuesday, January 14, 2003, at 10:00 a.m. for Governor Thomas J. Vilsack to deliver his condition of the state and budget message—10, 11 adopted, 12 msgd - S.J. - 16, 17 adopted & msgd. - H.J. - 37.
 Resolutions relating to:
 House Concurrent Resolution 1, designating a joint convention for canvass of votes on Monday, January 13, 2003, at 1:30 p.m.; a joint convention on Tuesday, January 14, 2003, at 10:00 a.m. for Governor Thomas J. Vilsack to deliver his condition of the state and budget message—10, 11 adopted, 12 msgd - S.J. - 16, 17 adopted & msgd. - H.J. - 37.
 Took oath of office—95
 Veto messages after session—2263-2265
Bills signed by—2244-2245
Communications from—1932-1934, 2244-2258, 2262-2264
Item veto messages—2250-2258, 2262-2264
Veto messages—2245-2250

GRANZOW, POLLY—Representative Franklin-Hardin-Marshall Counties

Amendments filed—1060, 1489
 Amendment offered—1118
 Bills introduced—252, 496, 497, 509, 522, 859
 Committee appointments—10, 22, 23, 24, 52, 91
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 248, 249, 324, 466, 874, 1489, 1523
 Resolutions offered—1492, 1524
 Subcommittee assignments—161, 183, 198, 265, 320, 432, 446, 530, 531, 540, 740

GREIMANN, JANE—Representative Boone-Story Counties

Amendments filed—742, 743, 783, 923, 924, 925, 974, 1048, 1060, 1241, 1256
 Amendments offered—1048, 1241
 Bills introduced—20, 21, 82, 104, 110, 158, 165, 168, 197, 203, 241, 251, 326, 335, 345, 381, 390, 395, 402, 425, 456, 461, 498, 499, 500, 551, 568, 599
 Committee appointments—23
 Requested to be added as a sponsor of HR 3—159
 Resolutions filed—214, 215, 310, 324, 364, 452, 453, 634, 746, 857, 874
 Subcommittee assignments—155, 183, 198, 264, 331, 361, 432, 446, 447, 489, 701, 740, 1461

GREINER, SANDRA H.—Representative Jefferson-Johnson-Washington Counties

Amendments filed—634, 667, 743, 858, 875, 974, 1107, 1130, 1746
 Amendments offered—888, 992, 1130
 Bills introduced—20, 66, 67, 81, 325, 420, 421, 454, 498, 1261
 Committee appointments—22, 23, 24, 38, 1039, 1040

Requested to be added as a sponsor of HJR 5—483
Resolutions filed—157, 214, 248, 249, 324, 634, 746
Subcommittee assignments—161, 182, 183, 236, 319, 360, 397, 431, 487, 488, 556,
701, 781, 871, 1085, 1461

HAHN, JAMES F.—Representative **Muscatine** County

Amendments filed—858, 875, 1321
Bills introduced—20, 66, 67, 81, 207, 255, 325, 352, 419, 421, 463, 468, 498, 784
Committee appointments—23, 24, 68, 855
Presented to the House the Honorable Bob Johnson, former member of the House—
1527
Resolutions filed—157, 214, 249, 310, 324
Subcommittee assignments—175, 264, 331, 361, 391, 517, 573, 700

HANSEN, BRAD L.—Representative **Pottawattamie** County

Amendments filed—974, 1035, 1061, 1493
Amendment offered—1077
Bills introduced—158, 187, 202, 203, 325, 334, 421, 564
Committee appointments—7, 22, 23, 24
Leave of absence—787
Nominated the Honorable Christopher C. Rants for Speaker of the House—6
Presided at sessions of the House—454, 1359
Remarks—6
Requested to be added as a sponsor of HJR 5—483
Resignation—2268
Resolutions filed—184, 214, 324, 585, 703, 874
Resolutions offered—404, 585
Subcommittee assignments—64, 161, 183, 212, 264, 319, 320, 330, 331, 337, 350,
384, 412, 446, 488, 490, 530, 531, 548, 740, 781, 921, 1002, 1152, 1689

HANSON, DELL—Representative **Benton-Iowa** Counties

Amendment filed—1332
Bills introduced—20, 66, 67, 81, 158, 325, 353, 381, 403, 496, 497, 859
Committee appointments—23, 24
Requested to be added as a sponsor of HJR 5—483
Resolutions filed—157, 214, 248, 249, 324, 339, 466, 634
Subcommittee assignments—212, 431, 432, 446, 530

HEATON, DAVID E.—Representative **Henry-Lee** Counties

Amendments filed—743, 925, 1004, 1060, 1073, 1244, 1299, 1321, 1498, 1501, 1502,
1531, 1691, 1734
Amendments offered—756, 839, 1067, 1071, 1073, 1074, 1299, 1329, 1498, 1501,
1720, 1734
Amendment withdrawn—1244
Bills introduced—67, 81, 82, 241, 307, 325, 335, 353, 394, 395, 401, 403, 419, 425,
440, 460, 462, 469, 470, 498, 499, 508, 509, 859
Committee appointments—22, 23, 87, 854
Explanation of votes—373, 900, 1057, 1316
Leave of absences—860, 1021
Presented to the House David Johnson, President of Wesleyan College—404
Requested to be added as a sponsor of HJR 5—483
Resolutions filed—157, 214, 248, 324, 339, 400, 634, 746, 782, 874, 1690

Resolutions offered—404, 1788

Subcommittee assignments—161, 183, 198, 244, 264, 265, 319, 320, 376, 432, 447, 487, 488, 489, 490, 517, 540, 699, 701, 827, 856, 921, 1033, 1105

Amendment filed—2131

Amendment offered—2131

HEDDENS, LISA—Representative Boone-Story Counties

Amendments filed—742, 782, 783, 902, 923, 924, 925, 1048, 1061, 1320, 1458

Amendments offered—1077, 1458

Bills introduced—82, 110, 165, 168, 197, 202, 203, 241, 251, 335, 356, 368, 381, 382, 402, 425, 461, 551

Committee appointments—23, 24

Requested to be added as a sponsor of HR 3—159

Resolutions filed—214, 215, 249, 310, 324, 340, 365, 417, 452, 453, 634, 857, 874

Subcommittee assignments—161, 264, 308, 376, 446, 489, 516, 540, 740

HOFFMAN, CLARENCE—Representative Crawford-Ida-Monona-Woodbury Counties

Amendments filed—563, 581, 857, 858, 875, 896, 973, 998, 1035, 1523, 1540, 1677, 1691

Amendments offered—894, 896, 897, 997, 998, 1164, 1540, 1671, 1677

Amendment withdrawn—893

Bills introduced—67, 81, 207, 251, 325, 335, 346, 352, 383, 389, 498

Committee appointments—13, 22, 23

Explanation of vote—1084

Nominated the Honorable Danny Carroll for Speaker Pro Tempore—12

Remarks—12

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 184, 214, 248, 249, 324, 339, 466, 703, 746, 1919

Subcommittee assignments—84, 198, 212, 331, 350, 488, 530, 531, 781, 1019, 1168

Amendments filed—2109, 2128

Amendments offered—2109, 2128

HOGG, ROBERT M.—Representative Linn County

Amendments filed—380, 418, 453, 481, 494, 549, 563, 621, 622, 623, 667, 703, 742, 782, 809, 828, 857, 858, 875, 902, 923, 924, 925, 974, 1004, 1035, 1060, 1153, 1202, 1233, 1256, 1307, 1308, 1505, 1506, 1523, 1757, 1884

Amendments offered—422, 621, 622, 623, 684, 809, 837, 1095, 1233, 1282, 1284, 1307, 1505, 1506, 1904

Amendments withdrawn—472, 480, 809, 1884, 1886, 1904

Bills introduced—20, 21, 81, 104, 110, 168, 197, 251, 254, 328, 381, 420, 426, 439, 440, 461, 480, 500, 505, 522, 523, 528, 544, 551, 567, 598, 599

Committee appointments—23, 24

Explanation of vote—917

Requested to be added as a sponsor of HR 3—160

Resolutions filed—214, 249, 324, 417, 452, 746

Subcommittee assignments—175, 212, 548, 573, 1002, 1689

HORBACH, LANCE—Representative Grundy-Tama Counties

Amendments filed—249, 259, 634, 742, 901, 1004, 1020, 1060, 1135, 1257, 1299, 1332, 1466, 1481, 1531, 1691, 1919

Amendments offered—259, 659, 913, 1139, 1218, 1466, 1481, 1729
Amendments withdrawn—256, 1080, 1139
Bills introduced—61, 158, 250, 325, 455, 463, 497, 509, 784, 859
Committee appointments—10, 22, 24
Presided at sessions of the House—1115, 1322, 1454
Requested to be added as a sponsor of HJR 5—483
Resolutions filed—214, 249, 324, 746, 1522
Subcommittee assignments—161, 212, 264, 412, 446, 488, 531, 781, 921, 1002, 1105,
1348

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House File 171, H-1212—1214
House File 180, H-1211—976
House File 216, H-1184—868
House File 319, H-1283—1192
House File 386, H-1349—1238
House File 387, H-1367—1199
House File 391, H-1335—1178
House File 404, H-1323—1249
House File 454, H-1380—1328
House File 457, H-1383—1314
House File 516, H-1322—1176
House File 529, H-1342—1180
House File 534, H-1336, as amended—1187
House File 543, H-1567—1761
House File 547, H-1334—1193
House File 548, H-1284—1191
House File 549, H-1578—1785
House File 560, H-1368—1312
House File 565, H-1366—1236
House File 584, H-1337, as amended—1248
House File 594, H-1369—1244
House File 595, H-1579—1758
House File 624, H-1352—1357
House File 636, H-1213—1015
House File 644, H-1370—1251
House File 654, H-1487—1496
House File 655, H-1294—1189
House File 675, H-1496—1513
House File 685, H-1495, as amended—1498
Senate File 94, H-1389—1358
Senate File 422, H-1497—1500
Senate File 452, H-1613—1791

House File 614, H-1614—1941

House File 683, H-1616, as amended—2131

House File 692, H-1615, as amended—2242

HOUSE RECEDES—

House File 685—1759

Senate File 435—1240

HUMAN RESOURCES, COMMITTEE ON—

Amendments filed—974, 1060

Amendments offered—1118, 1126

Appointed—23

Bills introduced—255, 342, 426, 462, 463, 468, 506, 538, 543, 552, 568, 583, 598, 599,
601, 602, 609, 635, 636, 637, 638, 639, 670Recommendations—268, 339, 416, 451-452, 493, 535-536, 560-561, 605-606, 633,
878, 973, 1059-1060Subcommittee assignments—155, 161, 183, 244, 264, 265, 320, 360, 361, 376, 412,
432, 446, 447, 487, 488, 489, 490, 540, 556, 740, 741, 856, 1019HUNTER, BRUCE L.—Representative **Polk** County

Amendments filed—521, 743, 782, 783, 923, 924, 925

Bills introduced—402, 499, 500

Committee appointments—359

Resolutions filed—417, 452, 453, 857

Subcommittee assignments—447, 488, 489, 516

Took oath of office—348

HUSEMAN, DANIEL A.—Representative **Cherokee-Plymouth-Woodbury** Counties

Amendments filed—875, 901, 1523, 1528, 1530, 1531

Amendments offered—1525, 1528, 1530

Amendment withdrawn—1526

Bills introduced—20, 66, 67, 81, 164, 325, 335, 353, 388, 421, 498, 784

Committee appointments—22, 24, 25

Explanation of votes—552, 869, 1167

Leave of absences—470, 496, 831, 1094, 1108

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 249, 324, 466, 634, 746

Subcommittee assignments—319, 411, 488, 921, 1085

HUSER, GERI D.—Representative **Polk** CountyAmendments filed—418, 550, 742, 782, 974, 1020, 1169, 1202, 1257, 1263, 1286,
1332, 1453, 1523, 1530, 1531, 1735

Amendments offered—989, 1263, 1453, 1531, 1735

Amendments withdrawn—1286, 1371

Bills introduced—110, 197, 242, 250, 255, 326, 327, 346, 352, 382, 402, 419, 420, 421,
457, 463, 497, 498, 539, 583

Committee appointments—13, 23, 24, 180

Explanation of votes—779, 824, 1133

Leave of absences—747, 837, 1121

Remarks—13

Resolutions filed—80, 214, 215, 249, 310, 324, 857, 1522

Seconded the nomination of Danny Carroll for Speaker Pro Tempore—13

Subcommittee assignments—264, 319, 337, 391, 412, 488, 700, 740, 1057, 1689

*Amendment filed—2131**Amendment offered—2131*

HUTTER, JOE—Representative Scott County

Bills introduced—20, 67, 81, 403, 425, 455

Committee appointments—23, 24

Resolutions filed—157, 214, 249, 310, 324, 634, 746, 874

Subcommittee assignments—264, 446, 447, 516, 517, 556, 701, 1033

INAUGURATION—

Committee appointed—52

Joint convention—88-100

Remarks by Governor Thomas J. Vilsack—96-100

Remarks by Lieutenant Governor Sally Pederson—93-95

Resolution relating to:

House Concurrent Resolution 3, appointment of joint inaugural committee—11, 12
adopted & msgd. — S.J. — 17, 18 adopted & msgd. — H.J. — 38.**INTERIM APPOINTMENTS—**

Iowa Workforce Development:

Wayne Ford—328

INTERIM COMMITTEES—(See also **LEGISLATIVE COUNCIL** and/or **STUDY COMMITTEES**)

Resolutions relating to:

House Concurrent Resolution 7—study instant runoff voting—215,

JACOBS, LIBBY—Representative Polk County, Assistant Majority Leader

Amendments filed—667, 691, 742, 782, 1523, 1746

Amendments offered—803, 804, 843

Amendments withdrawn—691, 1746

Bills deferred, retained on calendar (as acting Speaker)—1079, 1782

Bills introduced—21, 60, 104, 243, 313, 327, 328, 334, 346, 352, 498

Bills placed on unfinished business calendar (as acting Speaker)—1082, 1166

Bills referred to committee (as acting Speaker)—1200

Committee appointments—22, 24

Elected Temporary Speaker—1

Explanation of vote—430

Presentation of visitors (as acting Speaker)—1167

Presided at sessions of the House—1, 708, 1007, 1067, 1159, 1196, 1261, 1263, 1758

Requested to be added as a sponsor of HF 172—408

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 249, 324, 339, 563, 746

Subcommittee assignments—161, 182, 183, 236, 265, 320, 331, 397, 487, 488, 489,

699, 781, 921

Took oath of office—1

JENKINS, WILLARD—Representative Black Hawk County

Amendments filed—163, 549, 563, 596, 634, 857, 875, 902, 925, 974, 1004, 1257,

1307, 1523, 1669, 1670, 1748

Amendments offered—168, 617, 865, 915, 930, 978, 1306, 1307, 1558, 1669, 1670

Amendments withdrawn—624, 933, 982

Bills introduced—164, 270, 325, 336, 403, 454, 463, 468, 498, 635, 677

Committee appointments—22, 23, 54

Leave of absence—640

Presented to the House Effie Burt who sang songs she wrote before convening—81
 Presented to the House Laura Fog, Miss Shamrock, her lady-in-waiting Staci Gappu and Denis O' Donovan, a member of Irish Parliament—569
 Presented to the House Justin Peters, winner of the Prudential Spirit of Community award and his parents—1067
 Presented to the House Xiao Jia Chan and Lou Hong from China—1143
 Presided at sessions of the House—963, 1137
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 248, 324, 340, 466, 857, 901
 Resolutions offered—975, 1174
 Subcommittee assignments—193, 212, 308, 319, 320, 331, 342, 431, 446, 517, 699, 700, 701, 781, 856, 921, 1002, 1152, 1168

Amendment filed—2128

Amendment offered—2128

JOCHUM, PAM—Representative **Dubuque** County

Amendments filed—703, 742, 743, 782, 783, 879, 923, 924, 925, 949, 973, 1020, 1047, 1070, 1135, 1256, 1526, 1722
 Amendments offered—724, 949, 1070, 1095, 1096, 1526, 1887
 Amendments withdrawn—1263, 1324
 Appointed as teller for canvass of votes—39
 Bills introduced—20, 21, 81, 104, 110, 165, 168, 187, 188, 197, 202, 203, 217, 241, 251, 254, 307, 328, 335, 382, 393, 394, 401, 402, 456, 461, 469, 470, 499, 500, 509, 599
 Committee appointments—23, 24
 Petition presented—876
 Resolutions filed—214, 215, 249, 324, 339, 364, 452, 453, 466, 857
 Subcommittee assignments—175, 236, 237, 320, 360, 516, 517, 556, 700, 871, 1348

JOINT CONVENTIONS—

Canvass of Votes—38-39

Condition of the Judicial Department Message—68-77

Condition of the State and Budget Message—53-60

Inauguration—88-100

Resolutions relating to:

House Concurrent Resolution 1, designating a joint convention for canvass of votes on Monday, January 13, 2003, at 1:30 p.m.; a joint convention on Tuesday, January 14, 2003, at 10:00 a.m. for Governor Thomas J. Vilsack to deliver his condition of the state and budget message—10, 11 adopted, 12 msgd. – S.J. – 16, 17 adopted & msgd. – H.J. – 37.

House Concurrent Resolution 2, designating a joint convention on Wednesday, January 15, 2003, at 10:00 a.m. for Chief Justice Louis A. Lavorato to deliver his condition of the judicial branch—11 adopted, 12 msgd. – S.J. – 17 adopted & msgd. – H.J. – 37.

House Concurrent Resolution 8, relating to biennial memorial session—240, 906 adopted, 907 msgd. – S.J. – 721, 751, 755, 782 adopted, 804 msgd. – H.J. – 1023.

House Concurrent Resolution 9, relating to Pioneer Lawmakers—240, 906 adopted, 907 msgd. – S.J. – 722, 751, 755, 782 adopted, 804 msgd. – H.J. – 1023.

To honor Pioneer Lawmakers—1039-1044

JOINT RULES—

Resolutions relating to:

House Concurrent Resolution 4, joint rules of the House and Senate—86, 108, 151 adopted & msgd. — S.J. — 115, 116, 151, 162 adopted & msgd. — H.J. — 217.

House Concurrent Resolution 11, amend the joint rules of the Senate and House relating to fiscal notes—351,

JONES, GERALD D.—Representative Mills-Pottawattamie Counties

Amendments filed—494, 1035

Bills introduced—66, 67, 81, 158, 216, 325, 382, 390, 498, 499, 859

Committee appointments—2, 24

Leave of absence—1155

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—214, 249, 324, 339, 634, 874

Subcommittee assignments—166, 236, 237, 264, 319, 360, 376, 397, 431, 432, 488, 489, 548, 589, 871, 921, 1002

JUDICIARY, COMMITTEE ON—

Amendment filed—333

Amendment offered—370

Appointed—23

Bills introduced—313, 388, 442, 505, 506, 539, 552, 597, 598, 599, 601, 602, 603, 609, 611, 636, 668, 669, 677, 679

Recommendations—268, 416-417, 493-494, 520, 536, 561-562, 592-594, 873, 922-923, 1020, 1033-1034

Subcommittee assignments—198, 244, 319, 320, 336, 360, 384, 516, 517, 539, 548, 556, 701, 827, 856, 871, 901, 1033

KLEMME, RALPH—Representative Plymouth-Sioux Counties, Assistant Majority Leader

Amendments filed—453/481, 494, 550, 667, 743

Amendments offered—481, 760

Amendment withdrawn—761

Bill deferred, retained on calendar (as acting Speaker)—802

Bills introduced—158, 164, 250, 325, 334, 421, 498, 859

Bill referred and rereferred (as acting Speaker)—1104

Committee appointments—22, 23, 24

Explanation of vote—180

Leave of absence—167

Presentation of visitors (as acting Speaker)—739, 1057, 1148

Presided at sessions of the House—137, 505, 722, 785, 1045, 1094, 1140, 1205, 1225, 1322

Remarks—6-7

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 249, 310, 324, 466, 746

Resolution offered—192

Seconded the nomination of the Honorable Christopher C. Rants for Speaker of the House—6

Subcommittee assignments—237, 319, 331, 411, 412, 447, 489, 781, 901, 921, 1085

KRAMER, KENT—Representative Polk County

Amendments filed—537, 974, 1350, 1489, 1523

- Amendments offered—613, 1360, 1370
 Bills introduced—20, 66, 67, 81, 164, 207, 250, 325, 328, 352, 468, 784
 Committee appointments—10, 23, 24, 87
 Explanation of vote—917, 1148
 Presided at sessions of the House—1554
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 249, 324, 1919
 Subcommittee assignments—84, 175, 193, 308, 318, 319, 320, 376, 384, 412, 446, 490, 531, 700, 701, 1152, 1348, 1689
- KUHN, MARK—Representative Cerro Gordo-Floyd-Howard-Mitchell Counties
 Amendments filed—418, 620, 622, 743, 782, 783, 828, 902, 923, 924, 1004, 1020, 1130, 1135, 1144, 1169, 1256, 1379, 1523, 1551
 Amendments offered—624, 1143, 1144, 1231, 1379
 Bills introduced—20, 21, 82, 104, 110, 164, 165, 168, 191, 197, 203, 252, 254, 402, 457, 499, 565, 566, 567, 599, 859
 Committee appointments—22, 23, 24, 852
 Explanation of vote—1520
 Resolutions filed—249, 324, 417, 466, 746, 857, 1020, 1090
 Subcommittee assignments—84, 319, 489, 556, 700, 921, 1001, 1019, 1085, 1152
- KURTENBACH, JAMES M.—Representative Hamilton-Story Counties
 Amendments filed—634, 742, 973, 974, 1061, 1684
 Amendment offered—1684
 Bills introduced—461, 468, 498, 635, 784
 Committee appointments—22, 23, 24
 Presented to the House Iowa artist Bill Lee and his wife Ramona—545
 Requested to be added as a sponsor of HF 172—408
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 249, 310, 324, 746, 874, 1919
 Subcommittee assignments—84, 161, 174, 183, 212, 330, 360, 517, 781, 826, 1057, 1152, 1348, 1461
- LALK, DAVID—Representative Black Hawk-Bremer-Fayette Counties
 Amendments filed—704, 875, 1107
 Amendments offered—907, 1125
 Bills introduced—20, 66, 67, 81, 164, 202, 251, 252, 325, 335, 421, 498, 784
 Committee appointments—22, 23, 24
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 248, 249, 324, 634, 746, 1919
 Subcommittee assignments—106, 175, 198, 319, 384, 446, 548, 666, 699, 700, 901, 1002, 1019, 1085, 1168
- LEAVE OF ABSENCE—
 167, 171, 189, 196, 205, 256, 312, 403, 422, 443, 470, 496, 505, 508, 522, 607, 611, 640, 706, 712, 719, 726, 746, 747, 750, 785, 787, 818, 831, 837, 859, 860, 884, 963, 983, 1008, 1021, 1066, 1094, 1108, 1121, 1122, 1155, 1297, 1323, 1352, 1359, 1492, 1532, 1693

LEGISLATIVE COUNCIL—

Appointments to—208

Resolutions relating to:

- House Concurrent Resolution 7—215

LEGISLATIVE COUNCIL COMMITTEES—

Appointments to—208-209

LEGISLATIVE EMPLOYEES—

(See OFFICERS AND EMPLOYEES)

LENSING, VICKI—Representative **Johnson** CountyAmendments filed—620, 622, 634, 742, 743, 783, 875, 923, 924, 925, 1048, 1256,
1330, 1332, 1333, 1691

Amendments offered—620, 1330, 1332

Bills introduced—20, 21, 81, 82, 104, 110, 165, 168, 197, 203, 251, 381, 382, 390, 402,
403, 440, 456, 457, 461, 470, 499, 500, 551

Committee appointments—22, 23, 24, 52, 91

Resolutions filed—80, 214, 215, 249, 324, 365, 417, 452, 453, 703, 857, 923

Resolution offered—1224

Subcommittee assignments—106, 244, 319, 432, 556, 921

LOBBYISTS—

(See ETHICS, COMMITTEE ON)

LOCAL GOVERNMENT, COMMITTEE ON—

Appointed—23

Bills introduced—366, 402, 421, 456, 543, 552, 568, 584, 585, 609

Recommendations—364, 399, 417, 452, 542, 562, 1060

Subcommittee assignments—166, 212, 264, 337, 391, 412, 432, 488, 921

LUKAN, STEVEN F.—Representative Delaware-**Dubuque** Counties

Amendments filed—782, 974, 1107, 1135, 1153, 1203, 1257, 1321, 1332, 1531

Amendments offered—1226, 1262, 1323

Bills introduced—66, 67, 81, 167, 204, 207, 251, 325, 353, 383, 388, 402, 470, 498,
538, 859

Committee appointments—23, 24, 54, 157

Explanation of vote—1029

Presented to the House the Honorable Jim Nussle, U.S. Congressman from Iowa—
137

Presented to the House the Honorable Joe Ertl, former member of the House—1286

Presided at sessions of the House—388

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 310, 324, 339, 466, 634, 746, 1522, 1919

Resolutions offered—464, 1785

Subcommittee assignments—106, 175, 193, 194, 212, 237, 432, 666, 699, 700, 740,
826, 1001, 1002, 1057, 1152, 1689*Resolution offered—2260*

LYKAM, JIM—Representative Scott County

- Amendments filed—494, 742, 782, 783, 902, 923, 924, 925, 1153, 1320, 1332, 1453, 1722
- Amendment offered—815
- Bills introduced—20, 21, 104, 110, 165, 168, 197, 251, 402, 455, 461, 498, 499, 500
- Committee appointments—10, 24, 854, 1039, 1040
- Explanation of vote—696
- Resolutions filed—79, 214, 215, 249, 324, 452, 453, 857
- Subcommittee assignments—156, 237, 360, 376, 411, 431, 488, 489, 516, 589

MADDOX, O. GENE—Representative Polk County

- Amendments filed—703, 742, 925, 974, 1153, 1300, 1301
- Amendments offered—1009, 1010, 1289, 1297, 1300, 1301
- Amendment withdrawn—1289
- Bills introduced—61, 62, 216, 250, 251, 254, 328, 389, 469, 506
- Committee appointments—23, 24, 69
- Explanation of votes—824, 855
- Leave of absence—719
- Presented to the House winners of the “Write Women Back Into History” essay contest—586-587
- Requested to be added as a sponsor of HF 172—408
- Requested to be added as a sponsor of HJR 5—483
- Resolutions filed—157, 248, 249, 310, 324, 746
- Subcommittee assignments—166, 264, 336, 337, 391, 827, 871, 921

MAJORITY LEADER, Chuck Gipp—Representative Allamakee-Winneshiek Counties, Majority Leader

(See GIPP, CHUCK—Representative Allamakee-Winneshiek Counties, Majority Leader)

MANAGEMENT, DEPARTMENT OF—

- Communications from—48, 101, 235, 305

MANTERNACH, GENE—Representative Dubuque-Jones Counties, Assistant Majority Leader

- Amendments filed—782, 858, 974, 1135, 1531
- Amendment offered—1144
- Bills introduced—20, 164, 207, 250, 251, 252, 353, 383, 421, 498, 784
- Committee appointments—22, 24
- Explanation of vote—1916
- Presided at sessions of the House—538, 597, 913
- Requested to be added as a sponsor of HF 172—408
- Requested to be added as a sponsor of HJR 5—483
- Resolutions filed—214, 324, 466, 746, 1256, 1690
- Resolution offered—1908
- Subcommittee assignments—161, 198, 237, 320, 376, 488, 781, 871, 921, 1019, 1085

MASCHER, MARY—Representative Johnson County, Assistant Minority Leader

- Amendments filed—351, 634, 689, 690, 693, 742, 783, 901, 923, 924, 925, 1332, 1333, 1334, 1691, 1722, 1746
- Amendments offered—688, 689, 692, 787, 1334, 1746
- Amendments withdrawn—690, 693

Bills introduced—20, 21, 81, 82, 104, 110, 165, 168, 197, 203, 251, 335, 382, 390, 402, 403, 420, 421, 440, 456, 457, 461, 469, 470, 479, 480, 497, 498, 499, 500, 509, 510, 551, 567, 568, 637

Committee appointments—2, 22, 23, 24, 25, 348

Presented to the House winners of the "Write Women Back Into History" essay contest—586-587

Resolutions filed—79, 214, 215, 310, 324, 365, 417, 452, 453, 563, 703, 857, 923

Resolution offered—1224

Special presentation to House Pages—529, 1693-1694

Subcommittee assignments—64, 161, 182, 183, 236, 397, 412, 487, 490, 531, 548

MCCARTHY, KEVIN—Representative Polk County

Amendments filed—387, 550, 828, 901, 902, 923, 924, 925, 1169

Amendments offered—840, 1220

Bills introduced—20, 82, 104, 110, 164, 197, 241, 251, 388, 426, 500

Committee appointments—24, 25, 180

Resolutions filed—214, 310, 324, 452, 857

Subcommittee assignments—161, 384, 397, 488, 531, 781

MEMORIALS—

Committees appointed—852, 853, 854, 855

In Memoriam List—1062-1065

Joint Memorial Service—1062-1065

Memorial resolutions not printed during session—2522-2528

Resolutions relating to:

House Concurrent Resolution 8, relating to biennial memorial session—240, 906 adopted, 907 msgd. — S.J. — 721, 751, 755, 782 adopted, 804 msgd. — H.J. — 1023.

MERTZ, DOLORES M.—Representative Humboldt-Kossuth-Pocahontas-Webster Counties

Amendments filed—742, 902, 923, 924, 925, 1020, 1048, 1130, 1256, 1350, 1379, 1381, 1451, 1757

Amendment offered—1884

Bills introduced—20, 21, 81, 104, 110, 164, 168, 197, 203, 207, 242, 251, 270, 325, 335, 346, 382, 383, 402, 461, 463, 496, 498, 499, 551, 565, 583, 859

Committee appointments—22, 24, 853, 1039, 1040

Leave of absence—422, 706, 859

Requested to be added as a sponsor of HF 57—165

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—80, 215, 310, 324, 417, 466, 634, 828, 857, 1020, 1919

Resolution offered—1493

Subcommittee assignments—432, 489, 573, 921, 1085, 1152

MESSAGES—

(See also COMMUNICATIONS)

From Senate—37-38, 111, 217, 252-253, 328, 383, 442-443, 523-524, 587, 616-617, 626-627, 644-646, 656-657, 672, 676, 708, 711, 784-785, 802, 829-830, 831, 860, 861, 903-904, 905, 928-929, 934, 971, 1013, 1017, 1022, 1023-1024, 1037-1038, 1089-1090, 1097-1098, 1101, 1104, 1108-1109, 1110-1111, 1116, 1136-1137, 1137-1139, 1154-1155, 1170-1172, 1175-1176, 1204, 1205-1206, 1224-1225, 1239-1240, 1260, 1288, 1309, 1344, 1351-1352, 1377, 1383, 1464-1465, 1483-1484, 1490, 1491, 1538-1539, 1679-1680, 1782-1783, 1786-1787, 1790, 1790-1791, 1920

From Governor—529, 587, 824, 900, 1083-1084, 1105, 1134, 1201, 1252-1253, 1347, 1460-1461, 1484-1486, 1916-1917, 1922-1928, 1930-1931

Immediate messages—12, 151, 172, 190, 207, 263, 356, 373, 406, 408, 424, 430, 445, 478, 483, 504, 508, 514, 527, 585, 615, 627, 629, 631, 644, 648, 652, 657, 663, 675, 683, 686, 696, 710, 715, 722, 728, 731, 733, 734, 737, 750, 754, 759, 778, 807, 810, 815, 819, 823, 839, 844, 847, 851, 867, 869, 886, 889, 899, 907, 908, 911, 916, 929, 931, 970, 977, 983, 999, 1012, 1017, 1028, 1056, 1081, 1082, 1097, 1104, 1113, 1115, 1118, 1121, 1123, 1130, 1132, 1141, 1147, 1159, 1165, 1188, 1194, 1198, 1200, 1220, 1229, 1241, 1244, 1252, 1260, 1265, 1268, 1303, 1315, 1336, 1345, 1359, 1377, 1383, 1459, 1464, 1479, 1481, 1483, 1497, 1499, 1501, 1504, 1507, 1510, 1514, 1534, 1536, 1538, 1681, 1782, 1784, 1785, 1787, 1788, 1790, 1792, 1866, 1906, 1907, 1908, 1916

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Item veto message after session—2265-2267

Senate messages considered—137-138, 217, 390, 443, 457-458, 528, 639-640, 670-672, 679-680, 706, 722, 744-745, 785-786, 830, 832, 859-860, 861-862, 862, 906, 926, 970, 975, 1013, 1021-1022, 1038-1039, 1044-1045, 1109, 1137, 1165-1166, 1206, 1303, 1315, 1345, 1351, 1377-1378, 1465, 1491, 1680, 1792

Veto message after session—2263-2265

From Governor—1932-1934, 2244-2258, 2262-2264

From Senate—1934, 1935, 1943, 2260-2261

Immediate message—1942, 2133, 2243, 2260

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Veto messages—2245-2250

MILEAGE, COMMITTEE ON—

Appointments to—16

Report—50-52

Report adopted—52

MILLER, HELEN—Representative **Webster** County

Amendments filed—743, 783, 902, 923, 924, 925, 1203, 1256, 1257, 1332

Amendments offered—1247, 1332

Bills introduced—20, 21, 82, 104, 110, 168, 191, 197, 251, 381, 382, 402, 456, 461, 498, 499, 551, 583

Committee appointments—23, 24, 69

Explanation of vote—1686

Leave of absences—505, 983, 1066, 1492

Resolutions filed—79, 214, 215, 249, 324, 339, 395, 417, 452, 453, 466, 634, 857

Resolution offered—395

Subcommittee assignments—155, 237, 265, 360, 361, 411, 487, 530

MINORITY LEADER, Richard E. Myers—Representative **Johnson** County

(See MYERS, RICHARD E.—Representative **Johnson** County, Minority Leader)

MOTIONS TO RECONSIDER—

Filed:

House File 490—738

House File 686—1460

House File 701—1686

Senate File 340—1132

Senate File 425—1018

Senate File 435—1029

Senate File 435—1252

Senate File 445—1316

Prevailed:

House File 701—1789

Motions to reconsider (filed from the floor):

Senate File 445, H-1374—1286

Lost (filed from the floor):

Senate File 445, H-1374—1286

Withdrawn:

House File 686—1464

Senate File 340—1147

Senate File 435—1056

Senate File 445—1463

Final disposition of motions to reconsider—1920-1921

MURPHY, PATRICK J.—Representative **Dubuque** County

Amendments filed—387, 581, 620, 704, 742, 743, 782, 783, 923, 924, 925, 1004, 1053, 1079, 1257, 1529, 1530, 1691, 1722, 1723, 1724, 1729, 1754

Amendments offered—427, 642, 814, 816, 1049, 1053, 1079, 1530, 1697, 1723, 1724, 1729

Amendments withdrawn—814, 1080

Bills introduced—20, 21, 81, 82, 104, 109, 110, 159, 164, 165, 168, 191, 192, 197, 203, 241, 251, 352, 381, 382, 389, 402, 420, 455, 456, 461, 498, 499, 500, 523

Committee appointments—22, 23

Requested to be added as a sponsor of HF 190—483

Resolutions filed—214, 215, 249, 324, 365, 417, 452, 453, 466, 746, 857

Subcommittee assignments—161, 183, 193, 194, 212, 264, 320, 446, 488, 489, 490, 699, 700, 701, 781, 921

MYERS, RICHARD E.—Representative **Johnson** County, Minority Leader

Amendments filed—742, 783, 902, 923, 924, 925, 1332

Bills introduced—20, 21, 81, 104, 110, 164, 168, 197, 241, 250, 251, 313, 341, 381, 382, 390, 402, 421, 440, 455, 456, 460, 461, 498, 499, 551, 829, 1146, 1345, 1483

Committee appointments—7, 22, 1929

Leave of absences—496, 522

Presented to the House the Honorable Andra Atteberry, former member of the House—978

Presented to the House Kirk Ferentz, coach of the University of Iowa Football Team—1224

Remarks—7, 17-19, 1910-1913

Resignation—2267-2268

Resolutions filed—10, 11, 79, 214, 215, 240, 249, 324, 364, 395, 417, 452, 466, 703, 746, 857, 923, 1919

Resolutions offered—395, 1224

Seconded the nomination of the Honorable Christopher C. Rants for Speaker of the House—7

Resolution filed—2259

NATURAL RESOURCES, COMMITTEE ON—

Amendments filed—269, 974, 1035

Amendment offered—1101

Appointed—24, 180

Bills introduced—358, 382, 479, 480, 566, 567

Recommendations—269, 310, 364, 380, 465-466, 562-563, 973, 1034

Subcommittee assignments—77, 156, 198, 237, 376, 377, 431, 432, 447, 516, 531, 556, 826, 856

NOMINATIONS—

For Acting Chief Clerk—1

For Permanent Chief Clerk—10

For Speaker of the House—6, 7

For Speaker Pro Tempore—12

For Temporary Speaker—1

OATH OF OFFICE—

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By Governor—95

By Lieutenant Governor—92

By members—5-6

By Representative-elect Bruce Hunter—348

By Speaker of the House, Christopher Rants—7

By Speaker Pro Tempore, Danny Carroll—13

By Temporary Speaker—1

OBJECTIONS—

Raised—1681

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Resignations—62, 2267-2268

Resolutions relating to:

House Concurrent Resolution 4—86, 108, 151 adopted & msgd. — S.J. — 115, 116,
151, 162 adopted & msgd. — H.J. — 217.

House Concurrent Resolution 11—351,

House Resolution 1—15, 16 adopted.

House Resolution 2—16 adopted.

House Resolution 4—86, 137 adopted.

House Resolution 6—201, 231 adopted.

House Resolution 7—201, 234 adopted.

Senate Concurrent Resolution 2—144, 151, 224 adopted & msgd. — H.J. — 328,

333, 590, 596, 738, 778 adopted & msgd. — S.J. — 614, 1102 adopted, 1108 msgd.
— H.J. — 1383.

Special presentation to House Pages—529, 1693-1694

Took oath of office—5-6, 7, 13, 348

OLDSO, JO—Representative Polk County

Amendments filed—742, 783, 902, 923, 924, 925, 1060

Bills introduced—20, 21, 81, 82, 104, 110, 168, 241, 251, 382, 402, 461, 499, 500, 568
 Committee appointments—22, 23, 24, 54
 Presented to the House John Busbee, who portrayed Tevya in "Fiddler on the Roof",
 and sang before convening—522
 Resolutions filed—214, 215, 249, 324, 417, 452
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 699, 781, 856

OLSON, DONOVAN—Representative **Boone**-Dallas Counties

Amendments filed—742, 743, 782, 783, 902, 923, 924, 925, 989, 1004, 1256, 1257,
 1381, 1451, 1527
 Amendments offered—812, 989, 1381, 1527
 Amendments withdrawn—817, 990
 Bills introduced—20, 21, 81, 82, 104, 110, 164, 165, 168, 197, 241, 251, 252, 254, 382,
 402, 456, 461, 498, 500, 599
 Committee appointments—23, 68, 852
 Resolutions filed—214, 215, 249, 310, 324, 339, 364, 400, 417, 452, 453, 634, 857
 Subcommittee assignments—212, 446, 530, 701

OLSON, STEVEN N.—Representative **Clinton**-Scott Counties

Amendments filed—521, 742, 974, 1321, 1523
 Bills introduced—20, 66, 67, 81, 216, 217, 325, 342, 390, 426, 498, 784, 859
 Committee appointments—22, 23, 24, 68, 90
 Explanation of vote—1030
 Leave of absence—1008
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 249, 324, 746
 Subcommittee assignments—155, 161, 237, 319, 360, 384, 412, 530, 701, 921, 1002,
 1085, 1168

OSTERHAUS, ROBERT J.—Representative **Clinton**-Dubuque-**Jackson** Counties

Amendments filed—703, 742, 782, 783, 965, 966, 967, 1060, 1068, 1256, 1531, 1722
 Amendments offered—832, 965, 966, 967, 1068, 1074
 Bills introduced—20, 21, 81, 104, 110, 165, 167, 168, 197, 251, 254, 328, 382, 402,
 456, 461, 499, 500, 544
 Committee appointments—22, 23, 24, 52, 91, 180
 Leave of absences—189, 196, 884, 1323, 1352
 Resolutions filed—214, 249, 324, 339, 364, 452, 453, 466, 746, 857
 Subcommittee assignments—161, 183, 212, 330, 331, 350, 530, 531, 1019

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Appointment of—45-46
 Resolutions relating to:
 Senate Concurrent Resolution 2—144, 151, 224 adopted & msgd. — H.J. — 328,
 333, 590, 596, 738, 778 adopted & msgd. — S.J. — 614, 1102 adopted, 1108 msgd.
 — H.J. — 1383.
 Special presentation to—529, 1693.

PAULSEN, KRAIG—Representative **Linn** County

Amendments filed—742, 782, 875, 974, 1020, 1257, 1489
 Amendments offered—837, 910, 1160
 Bills introduced—81, 167, 250, 325, 522, 527, 784

Committee appointments—23, 24, 69
 Explanation of vote—738
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 248, 324, 339, 746, 828, 1256
 Resolution offered—1155
 Subcommittee assignments—175, 194, 318, 319, 320, 376, 384, 412, 490, 517, 530, 531, 556, 700, 701, 826, 856, 1348, 1689

PERMANENT RULES—

House Resolution 4—86, 137 adopted.

PERSONNEL COMMITTEE

s(See ADMINISTRATION AND RULES, COMMITTEE ON)

PETERSEN, JANET—Representative Polk County

Amendments filed—660, 743, 782, 783, 828, 875, 914, 923, 924, 925, 1060, 1076, 1169, 1244, 1256, 1455, 1523
 Amendments offered—660, 891, 892, 1075, 1076, 1244, 1455
 Amendments withdrawn—897, 1244
 Bills introduced—20, 21, 81, 104, 110, 168, 197, 241, 251, 381, 382, 456, 461, 498, 499, 500, 505, 506, 510, 568, 583
 Committee appointments—22, 24
 Leave of absences—312, 607
 Resolutions filed—80, 214, 215, 249, 324, 365, 452, 857
 Subcommittee assignments—161, 182, 183, 212, 236, 264, 331, 397, 487, 531, 871, 921, 1019

PETITIONS—

(See also INDIVIDUAL HEADINGS)

Filed—250, 325, 366, 564, 597, 668, 744, 876, 1204

PIONEER LAWMAKERS ASSOCIATION OF IOWA—

Address by Michael Blouin, Director of Economic Development—1040-1043
 Resolution relating to:
 House Concurrent Resolution 9—240, 906 adopted, 907 msgd. — S.J. — 722, 751, 755, 782 adopted, 804 msgd. — H.J. — 1023.

PLEDGE OF ALLEGIANCE—1, 103, 167, 205, 307, 345, 393, 460, 543, 607, 705, 746, 784, 829, 859, 880, 903, 926, 975, 1007, 1021, 1036, 1066, 1092, 1108, 1136, 1154, 1174, 1204, 1258, 1322, 1351, 1463, 1490, 1693

1932, 1946

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 House File 595, H-1272A—Representative Tjepkes—990
 House File 619, invoke Rule 32—Representative Shoultz—968
 House File 624, H-1471—Representative Mertz—1356
 House File 652, H-1131—Representative Huseman—814
 House File 683, invoke Rule 32—Representative Fallon—1678
 House File 697, H-1564—Representative Boal—1537
 House File 700, H-1605—Representative Kramer—1757

Senate File 343, H-1398—Representative Greiner—1242

Senate File 422, H-1381—Representative Fallon—1298

Senate File 422, H-1437—Representative Baudler—1300

PRESIDENT OF THE UNITED STATES, CONGRESS AND/OR FEDERAL AGENCIES—

Resolutions relating to:

House Concurrent Resolution 5—recognize February 6 as Ronald Reagan Day in Iowa—157,

House Concurrent Resolution 6—request Medicare assistance from the federal government—214, 404 adopted & msgd. — S.J. — 307; 326, 425, 529,

House Concurrent Resolution 12—request United States Congress take action to preserve free and private enterprise, prevent monopoly and protect consumers by enacting legislation prohibiting livestock packers from owning, controlling or feeding livestock so that producers can no longer materially participate in management of their livestock operations as provide in SB 27—399, 400,

House Concurrent Resolution 14—federal Medicare reimbursement—417,

House Concurrent Resolution 16—support completion of U.S. Highway 20 across northern Iowa and request federal assistance—466, 742,

House Concurrent Resolution 19—urge congressional adoption of free trade agreement between Taiwan and the United States—828, 875, 1110 adopted, as amended, 1113 msgd. — S.J. — 943, 1045 (substituted for SCR 14) adopted & msgd. — H.J. — 1239.

House Concurrent Resolution 20—urge United States Department of Agriculture rescind administrative regulation regarding grain warehouse licensing—857,

House Concurrent Resolution 21—federal funding for fire and emergency services and homeland security costs—1522, 1785 adopted & msgd. — S.J. — 1214,

House Resolution 3—relating to Medicare reimbursement—79, 80,

House Resolution 8—honor former president Jimmy Carter for winning Nobel Peace Prize—215,

House Resolution 10—recognize February 6 as Ronald Reagan Day—248, 249, 253 adopted.

House Resolution 11—honor Meskwaki Code Talkers who served in United States Armed Forces in North Africa during World War II—249,

House Resolution 12—urge United States Congress immediately enact legislation assisting states and local governments improve their first responder networks—310,

House Resolution 14—honor the space shuttle Columbia—324.

House Resolution 15—urge United States Postal System issue a commemorative postage stamp honoring American's coal miners—339, 340, 1139 adopted.

House Resolution 17—regarding preemptive, unilateral military action against Iraq—364, 365,

House Resolution 18—recognize significant achievements of Tuskegee Airmen during World War II—395 adopted.

House Resolution 24—request Iowa's congressional delegation work to secure adequate funding for mandates required under federal "No Child Left Behind Act of 2001"—452, 453,

House Resolution 25—identify problems of Iowans in meeting health care costs and calling upon candidates for national office to provide proposals for addressing health care needs of Iowans and people of the United States—453,

House Resolution 36—urge federal government implement equal tax treatment for individual and group health insurance coverage—703,

- House Resolution 39—support men and women serving in United States Armed Forces in Operation Iraqi Freedom—746 adopted.
- House Resolution 46—support Best Buddies of Iowa and urge continued federal funding of program—874, 875
- House Resolution 51—support nomination of federal court of appeals judicial nominee Miguel A. Estrada—973,
- House Resolution 59—urge President of United States, United States Department of Agriculture and United States Congress take all necessary measures to prevent spread of soybean rust fungus into United States, including suspending any imports of soybean crops that originate in regions where disease has been found to be present—1489,
- Senate Concurrent Resolution 1—request federal assistance for Medicare program—128, 166, 186, 190 adopted, 191 msgd. – H.J. – 253, 269, 585 adopted & msgd. – S.J. – 492.
- Senate Concurrent Resolution 5— request United States Congress take action to preserve free and private enterprise, prevent monopoly and protect consumers by enacting legislation prohibiting livestock packers from owning, controlling or feeding livestock so that producers can no longer materially participate in management of their livestock operations as provide in SB 27—255, 260, 336 adopted, 338 msgd. – H.J. – 453,
- Senate Concurrent Resolution 8—support completion of U.S. Highway 20 across northern Iowa and requesting federal assistance—347, 362, 425, 787 adopted, 790 msgd. – H.J. – 1035, 1258 adopted, 1260 msgd. – S.J. – 1061.
- Senate Concurrent Resolution 17—support widening, improvement and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance—1005, 1079, 1201 adopted & msgd. – H.J. – 1786, 1919,
- Senate Concurrent Resolution 19—federal funding for fire and emergency services and homeland security costs—1157, 1180, 1202, 1203 adopted & msgd. – H.J. – 1787, 1919,

PROOF OF PUBLICATION—

House File 615—663

PUBLIC SAFETY, COMMITTEE ON—

- Amendment filed—875
- Appointed—24
- Bills introduced—170, 352, 381, 382, 389, 441, 468, 469, 583, 584, 585, 669, 678
- Recommendations—166, 339, 364, 386, 417, 452, 578-579, 594-595, 873
- Subcommittee assignments—308, 397, 488, 489, 516, 740, 781

QUIRK, BRIAN—Representative Chickasaw-Howard-Winneshiek Counties,

Assistant Minority Leader

Amendments filed—742, 783, 902, 924, 1020, 1494

Amendment withdrawn—1494

Bills introduced—20, 21, 81, 82, 104, 110, 255, 325, 381, 382, 401, 402, 456, 461, 463, 498, 499, 500, 567, 583, 638

Committee appointments—2, 22, 24, 180

Leave of absences—522, 983, 1008

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—79, 215, 249, 310, 324, 453, 857, 1020

Subcommittee assignments—264, 318, 360, 488, 781, 871, 921, 1085

QUORUM CALLS—

354, 368, 427, 478, 507, 510, 644, 653, 677, 786, 802, 905, 927, 976, 1007, 1045, 1067,
1094, 1115, 1137, 1175, 1205, 1258, 1261, 1322, 1378, 1465, 1534, 1697, 1790

RAECKER, J. SCOTT—Representative **Polk** County

Amendments filed—667, 703, 783, 820, 875, 901, 974, 1321, 1691

Amendments offered—691, 819, 820, 995

Bills introduced—82, 192, 251, 353, 421, 439, 441, 469, 522

Committee appointments—22, 23, 24, 25, 52, 91

Explanation of vote—1133

Leave of absence—1122

Presented to the House Julie Dwyer, National Director of the Character Counts!

Coalition and Bambi Wagner from the Institute of Character Development from
Drake University—976

Requested to be added as a sponsor of HF 172—408

Resolutions filed—157, 214, 248, 324

Resolutions offered—217, 231

Subcommittee assignments—64, 84, 161, 183, 237, 264, 376, 397, 446, 488, 490, 516,
556, 781, 921, 1019

RANTS, CHRISTOPHER C.—Representative **Woodbury** County, Speaker of the House
(See **SPEAKER OF THE HOUSE**—Christopher C. Rants, Representative
Woodbury County)RASMUSSEN, DAN—Representative **Black Hawk-Buchanan-Fayette** Counties

Amendments filed—521, 875, 1321

Bills introduced—20, 67, 81, 325, 335, 389, 421, 463, 859

Committee appointments—24

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 249, 324, 339, 417, 466, 746

Subcommittee assignments—77, 161, 182, 183, 198, 236, 237, 360, 376, 377, 384,
397, 411, 431, 487, 488, 490, 516, 530

RAYHONS, HENRY—Representative **Hancock-Winnebago-Worth** Counties

Amendments filed—521, 550, 901, 974, 1462

Amendments offered—908, 1119

Bills introduced—20, 66, 67, 81, 204, 242, 254, 325, 335, 353, 395, 565, 859

Committee appointments—22, 24

Presented to the House the Iowa Pork Queen Dawn Kruger—104

Presented to the House the Honorable Cliff Branstad, former member of the House—
654

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 324, 466, 634, 746, 1020

Subcommittee assignments—198, 237, 264, 319, 411, 432, 489, 516, 556, 573, 741,
921, 1085

REASONER, MICHAEL J.—Representative **Clarke-Decatur-Union** Counties

Amendments filed—742, 783, 875, 902, 914, 923, 924, 925, 1035, 1379, 1381, 1451

Amendment offered—1451

Bills introduced—20, 21, 81, 82, 104, 110, 164, 168, 197, 251, 353, 381, 382, 402, 457,
461, 499, 500

Committee appointments—22, 23

Resolutions filed—214, 249, 310, 324, 452, 634, 857, 874
Subcommittee assignments—320, 699, 701, 856, 921, 971

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RESOLUTIONS—

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House Concurrent Resolution 2—11
House Concurrent Resolution 3—12
House Concurrent Resolution 4, as amended—151
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House Concurrent Resolution 8—906
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House Concurrent Resolution 19, as amended—1110
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Senate Concurrent Resolution 20—1908
Senate Concurrent Resolution 21—1916

Filed:

House Concurrent Resolution 4—86
House Concurrent Resolution 5—157
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Senate Concurrent Resolution 19—1919

Laid over under Rule 25:

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House Concurrent Resolution 6—214
House Concurrent Resolution 7—215
House Concurrent Resolution 8—240
House Concurrent Resolution 9—240
House Concurrent Resolution 10—310
House Concurrent Resolution 11—351
House Concurrent Resolution 12—400
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House Resolution 14—324
House Resolution 15—340
House Resolution 16—351
House Resolution 17—364
House Resolution 19—400
House Resolution 20—400
House Resolution 21—417
House Resolution 22—438
House Resolution 23—438
House Resolution 24—453
House Resolution 25—453
House Resolution 26—459
House Resolution 28—563
House Resolution 30—634
House Resolution 31—634
House Resolution 32—634
House Resolution 33—666
House Resolution 34—703
House Resolution 35—703
House Resolution 36—703
House Resolution 37—703
House Resolution 38—745
House Resolution 40—782
House Resolution 41—828
House Resolution 42—828
House Resolution 43—857
House Resolution 44—857
House Resolution 45—874
House Resolution 46—875
House Resolution 47—875
House Resolution 48—875
House Resolution 49—901
House Resolution 50—923
House Resolution 51—973
House Resolution 52—1020
House Resolution 53—1060
House Resolution 54—1090

House Resolution 55—1256
House Resolution 56—1349
House Resolution 57—1489
House Resolution 58—1489
House Resolution 59—1489
House Resolution 60—1523
House Resolution 61—1690
House Resolution 62—1919
House Resolution 63—1919
Senate Concurrent Resolution 1—269
Senate Concurrent Resolution 2—333
Senate Concurrent Resolution 3—269
Senate Concurrent Resolution 9—596
Senate Concurrent Resolution 12—1690
Senate Concurrent Resolution 17—1919
Senate Concurrent Resolution 19—1919

Passed on file:

Senate Concurrent Resolution 5—453
Senate Concurrent Resolution 8—1035

Placed on calendar:

House Concurrent Resolution 4—86
House Resolution 4—86
House Resolution 6—201
House Resolution 7—201

Referred to committee:

Senate Concurrent Resolution 2—333

Unanimous consent:

House Concurrent Resolution 1—10
House Concurrent Resolution 2—11
House Concurrent Resolution 3—11
House Resolution 1—16
House Resolution 2—16
House Resolution 18—395
House Resolution 26—464
House Resolution 27—463
House Resolution 29—586
House Resolution 39—746
Senate Concurrent Resolution 20—1908
Senate Concurrent Resolution 21—1916

Resolutions adopted, not otherwise printed in the journal—2494-2521

Adopted:

House Concurrent Resolution 24—2260

Filed:

House Concurrent Resolution 24—2259
Senate Concurrent Resolution 22—1944

Laid over under Rule 25:

House Concurrent Resolution 24—2259
Senate Concurrent Resolution 22—1944

ROBERTS, ROD—Representative Carroll-Crawford-Sac Counties, Assistant Majority Leader

- Amendments filed—108, 365, 901, 1035
- Amendments offered—151, 778, 914
- Bills deferred, retained on calendar (as acting Speaker)—1758
- Bills introduced—20, 197, 203, 207, 251, 255, 325, 335, 353, 383, 421, 454, 498, 784
- Bills rereferred to committee (as acting Speaker)—1515
- Committee appointments—22, 23, 24
- Presentation of visitors (as acting Speaker)—1134
- Presided at sessions of the House—425, 1109, 1117, 1268, 1325, 1452, 1501, 1548, 1736, 1865
- Requested to be added as a sponsor of HJR 5—483
- Resolutions filed—15, 16, 214, 249, 310, 324, 339, 466, 634, 746, 874, 1919
- Resolutions offered—15, 16, 111, 138, 764
- Rulings made (as acting Speaker)—1757
- Subcommittee assignments—64, 155, 183, 236, 237, 244, 265, 319, 320, 397, 412, 447, 489, 490, 516, 530, 699, 700, 740, 741, 921, 1152, 1488

Presided at sessions of the House—1935

RULES INVOKED—

Rule 32 (commitment of appropriation and revenue bills):

- House File 564—683
- House File 619—968
- House File 683—1678

Rule 75 (duty of voting):

- House File 358, H-1280—1232
- House File 595, H-1223—984
- House File 619, H-1251—962
- House File 662, H-1210—981
- House File 703, H-1586—1697
- House File 700, H-1577—1699
- Senate File 390, H-1451—1885

Rule 76 (conflict of interest):

- Senate File 436—913
- Senate File 459—1784

RULES—MOTIONS TO SUSPEND—

- House File 683, suspend Rule 32—1678
- Senate File 422, H-1437—1300

Prevailed:

- House File 683, suspend Rule 32—1678
- Senate File 422, H-1437—1300

Rule 31.8 (first reading, commitment and amendment):

- House File 557, H-1115—734

RULES—SUSPENDED—

Rule 39 (consideration of bills):

- Immediate consideration of HF 306—524
- Immediate consideration of HF 340—444
- Immediate consideration of HF 701—1681
- Immediate consideration of HR 26—463

Immediate consideration of HR 27—463

Immediate consideration of SF 36—188

Rule 57 (committee notice and agenda):

Committee on administration and rules for 1/13/03—37

Committee on appropriations for 2/3/03—205

Committee on ways and means for 4/2/03—968

Committee on environmental protection for 4/24/03—1315

RULES—UNDER PROVISIONS OF & PURSUANT TO—

Pursuant to Rule 31.7 (commitment of bills):

House File 496—595

Senate File 97—494

Senate File 297—973

Senate File 375—1034

Pursuant to Rule 42 (certification of engrossment):

House Joint Resolution 3—899

House File 319—1346-1347

House File 380—1147

House File 389—1148

House File 489—1166

House File 549—1922

House File 619—1148

House File 624—1515

House File 628—1166

House File 636—1056

House File 654—1922

House File 667—1922

House File 685—1922

Pursuant to Rule 45 (status of bills following first regular session):

1092-1093

1921

Pursuant to Rule 73.7 (reconsideration):

1920-1921

Pursuant to Rule 42 (certification of engrossment):

House File 683—2261

House File 692—2261

SANDS, THOMAS R.—Representative Des Moines-Louisa-Muscataine Counties

Amendment filed—704

Amendment offered—720

Bills introduced—251, 325, 335, 421, 463, 498, 859

Committee appointments—22, 24, 53, 854, 855

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 249, 310, 324, 634, 746

Subcommittee assignments—84, 183, 193, 212, 264, 308, 330, 331, 350, 376, 464,

488, 489, 516, 530, 700, 740, 781, 871, 1019, 1348, 1689

SCHICKEL, BILL—Representative Cerro Gordo County

Amendments filed—1202, 1257, 1691

Amendment offered—1721

Bill introduced—197

Committee appointments—23, 90, 852
 Petition presented—744
 Requested to be added as a sponsor of HF 172—408
 Resolutions filed—157, 214, 249, 310, 324, 417, 466, 634, 745, 875, 1020
 Resolution offered—1174
 Subcommittee assignments—193, 198, 212, 237, 319, 320, 336, 360, 384, 412, 465,
 490, 516, 530, 740, 901, 1002, 1488

SEATS—

Assignments of, to members—40-42
 Special order—39

SECRETARY OF STATE, Chester J. Culver

Certificate of election—2-4, 347
 Communications from—2-4, 347
 Joint resolutions sent to—920, 1316

SHOULTZ, DON—Representative **Black Hawk** County

Amendments filed—185, 249, 256, 703, 743, 782, 783, 923, 924, 925, 973, 1004, 1020,
 1047, 1257, 1262, 1286, 1299, 1320, 1381, 1523, 1682, 1684
 Amendments offered—1262, 1286
 Amendments withdrawn—256, 1557, 1682, 1684
 Bills introduced—110, 168, 197, 203, 251, 254, 326, 328, 346, 357, 367, 382, 395, 401,
 402, 456, 461, 498, 499, 500, 509, 551, 599, 668
 Committee appointments—23, 24
 Leave of absence—750
 Petition presented—250
 Resolutions filed—80, 215, 249, 324, 364, 400, 452, 466, 606, 857, 901
 Resolutions offered—975, 1174
 Subcommittee assignments—175, 193, 318, 397, 517, 826, 920, 1002, 1348

SMITH, MARK—Representative **Marshall** County

Amendments filed—365, 634, 742, 783, 923, 924, 925, 963, 1256, 1333, 1335
 Amendments offered—734, 1334
 Amendments withdrawn—1333, 1335
 Bills introduced—20, 21, 61, 81, 82, 104, 110, 159, 168, 197, 202, 203, 251, 254, 382,
 498, 499
 Committee appointments—22, 23
 Explanation of vote—1686
 Presented to the House Floyd Harthun, Mayor of Marshalltown—471
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—80, 214, 215, 249, 310, 324, 351, 417, 452, 857, 874
 Resolution offered—470
 Subcommittee assignments—155, 183, 212, 244, 265, 319, 376, 431, 446, 447, 489,
 490, 540, 556, 699, 741, 921, 1019, 1105

Leave of absence—1946

SPEAKER OF THE HOUSE—Christopher C. Rants—Representative **Woodbury** County

Addressed the House—7-10, 1913-1915
 Bills deferred, retained on calendar—683, 933, 1493

- Bill introduced—20
- Bills passed on file—514
- Bills placed on unfinished business calendar—737-738, 1166
- Bills referred and rereferred to committees—359, 383, 408, 514, 587, 631, 632, 823, 1092-1093, 1515, 1921
- Bills signed by—464, 545, 738-739, 779, 855, 920, 1018, 1030, 1083, 1105, 1133, 1167, 1173, 1201, 1252, 1316, 1347, 1484, 1515, 1916, 1922
- Committees appointed by—22-25
- Committee appointments—10, 13, 16, 22, 38, 52, 53, 157, 180, 208-209, 348, 359, 852, 853, 854, 855, 1039, 1040, 1929
- Elected—7
- Final adjournment—1931
- Invoked rule—683
- Leave of absence—256
- Presentation of visitors—46, 104, 373, 545, 825, 855, 856, 917, 971, 1018, 1030, 1316, 1461, 1686
- Presented to the House Community College students from across the state—159
- Presented to the House the Honorable Brent Siegrist former Speaker of the House—1143
- Presided at sessions of the House—7, 37, 39, 42, 50, 52, 53, 60, 66, 67, 81, 87, 100, 103, 109, 158, 170, 171, 176, 186, 189, 196, 205, 216, 241, 307, 312, 325, 334, 345, 352, 354, 366, 368, 381, 393, 401, 419, 427, 439, 460, 467, 478, 496, 508, 522, 527, 543, 551, 564, 582, 607, 611, 625, 635, 653, 668, 676, 677, 683, 705, 706, 719, 746, 747, 784, 802, 829, 831, 859, 860, 880, 881, 903, 904, 913, 926, 927, 933, 948, 965, 969, 975, 976, 978, 1007, 1012, 1021, 1022, 1024, 1036, 1039, 1044, 1066, 1092, 1093, 1108, 1136, 1154, 1155, 1174, 1175, 1204, 1258, 1286, 1302, 1323, 1343, 1351, 1378, 1452, 1455, 1463, 1464, 1472, 1490, 1491, 1492, 1524, 1525, 1534, 1538, 1549, 1554, 1555, 1678, 1693, 1694, 1788, 1790, 1904, 1920
- Remarks by—7-10, 1913-1915
- Resolutions filed—10, 11, 240, 324, 466, 746, 1919
- Resolutions relating to:
 - House Concurrent Resolution 1, designating a joint convention for canvass of votes on Monday, January 13, 2003, at 1:30 p.m.; a joint convention on Tuesday, January 14, 2003, at 10:00 a.m. for Governor Thomas J. Vilsack to deliver his condition of the state and budget message—10, 11 adopted, 12 msgd. — S.J. — 16, 17 adopted & msgd. — H.J. — 37.
 - House Concurrent Resolution 2, designating a joint convention on Wednesday, January 15, 2003, at 10:00 a.m. for Chief Justice Louis A. Lavorato to deliver his condition of the judicial branch—11 adopted, 12 msgd. — S.J. — 17 adopted & msgd. — H.J. — 37.
 - House Concurrent Resolution 8, relating to biennial memorial session—240, 906 adopted, 907 msgd. — S.J. — 721, 751, 755, 782 adopted, 804 msgd. — H.J. — 1023.
 - House Concurrent Resolution 9, relating to Pioneer Lawmakers—240, 906 adopted, 907 msgd. — S.J. — 722, 751, 755, 782 adopted, 804 msgd. — H.J. — 1023.
 - Senate Concurrent Resolution 2, relating to compensation of chaplains, officers and employees of the 80th General Assembly—144, 151, 224 adopted & msgd. — H.J. — 328, 333, 590, 596, 738, 778 adopted & msgd. — S.J. — 614, 1102 adopted, 1108 msgd. — H.J. — 1383.
- Rulings made—814, 968, 1356, 1678
- Special presentation to House Pages—529, 1693-1694
- Took oath of office—7

Bills signed by—2262

Final adjournment, 2003 Extraordinary Session of the Eightieth General Assembly—2265

Presided at sessions of the House—1932, 1934, 1935, 1943, 1945, 1946, 1947, 2128, 2133, 2260

Resolution filed—2259

SPEAKER PRO TEMPORE,—Danny Carroll—Representative Mahaska-Poweshiek Counties

(See CARROLL, DANNY—Representative Mahaska-Poweshiek Counties, Speaker Pro Tempore)

SPECIAL COMMITTEES—

(See COMMITTEES, SPECIAL)

SPECIAL ORDER—

Assignments of seats—15, 39-42

SPECIAL PRESENTATION—

Representative Whitaker presented to the House the Honorable Jo Ann Zimmerman, former member of the House and former Lieutenant Governor—37

Representative Jenkins presented to the House Effie Burt who sang songs she wrote prior to convening—81

Representative Rayhons presented to the House the Iowa Pork Queen Dawn Kruger—104

Representative Lukan presented to the House the Honorable Jim Nussle, U. S. Congressman from Iowa—137

Representative Elgin presented to the House the Honorable Rosemary Thomson, former member of the House—159

Speaker Rants presented to the House Community College students from across the state—159

Representative Dix presented to the House Nobel Peace Prize Laureate, Dr. Norman E. Borlaug; John Ruan III, Chairman of the World Food Prize Foundation; Ambassador Kenneth Quinn, President of The World Food Prize Foundation and Council of Advisors members—314

Representative Whitead presented to the House the Honorable Mike Peters, former member of the House—358

Representative Boggess presented to the House Country Cousins that entertained the House with a musical interlude before convening—383

Majority Leader Gipp presented to the House the Honorable Tom Latham, U.S. Congressman from the 4th District—383

Representative Heaton presented to the House David Johnson, President of Wesleyan College—404

Representative Smith presented to the House Floyd Harthun, Mayor of Marshalltown—471

Speaker Rants, Majority Leader Gipp and Representative Mascher presented certificates of excellence of service to House Pages—529, 1693-1694

Representative Kurtenbach presented to the House Iowa artist Bill Lee and his wife Ramona—545

Representative Frevert and Jenkins presented to the House Laura Fog, Miss Shamrock, her lady-in-waiting, Staci Gappu and Denis O' Donovan, a member of Irish Parliament—569

- Representatives Maddox and Mascher presented winners of the "Write Women Back Into History" essay contest—586-587
- Representative Rayhons presented to the House the Honorable Cliff Branstad, former member of the House—654
- Representatives Dix and Foege presented to the House coach Jim Miller and the 2002-2003 Wartburg College Wrestling Team—880
- Representative Van Engelenhoven presented to the House Ashley Braun, Queen of the 2003 Pella Tulip Festival, her court and Ashley's parents—926-927
- Representative Berry presented to the House the East Waterloo High School Boys Basketball Team—975
- Representative Raecker presented to the House Julie Dwyer, National Director of the Character Counts! Coalition and Bambi Wagner from the Institute of Character Development from Drake University—976
- Representative Myers presented to the House the Honorable Andra Atteberry, former member of the House—978
- Representative Watts presented to the House Jill Martin, winner of the Prudential Spirit of Community Award and her parents—1067
- Representative Jenkins presented to the House Justin Peters, winner of the Prudential Spirit of Community Award and his parents—1067
- Speaker Rants presented to the House the Honorable Brent Siegrist, former Speaker of the House—1143
- Representative Jenkins presented to the House Xiao Jia Chan and Lou Hong from China—1143
- Representative Dennis presented to the House Bobbi Petersen, coach of the University of Northern Iowa Panther's Volleyball team, her staff and the team—1174
- Representative Myers presented to the House Kirk Ferentz, coach of the University of Iowa Football Team—1224
- Representative Lukan presented to the House the Honorable Joe Ertl, former member of the House—1286
- Representative Boddicker presented to the House musicians Don Daugherty and Glenn Dean Goodwin—1464
- Representative Hahn presented to the House the Honorable Bob Johnson, former member of the House—1527

Speaker Rants and Majority Leader Gipp presented retiring Minority Leader Myers a plaque for his dedication and service to the House—1946

SPONSOR—

Added:

- House Joint Resolution 5—Representatives Alons, Arnold, Baudler, Boal, Boddicker, Boggess, Carroll, Chambers, Cohoon, Connors, De Boef, Dennis, Dix, Dolecheck, Drake, Eichhorn, Freeman, Gipp, Granzow, Greiner, Hansen, Hanson, Heaton, Hoffman, Horbach, Huseman, Jacobs, Jenkins, Jones, Klemme, Kramer, Kurtenbach, Lalk, Lukan, Maddox, Manternach, Mertz, S. Olson, Paulsen, Quirk, Rasmussen, Rayhons, Roberts, Sands, Smith, T. Taylor, Thomas, Tjepkes, Tymeson, Upmeyer, Van Engelenhoven, J.K. Van Fossen, J.R. Van Fossen, Watts, Whitead and Wilderdyke—483
- House File 57—Representative Mertz—165
- House File 110—Representative Whitead—235
- House File 172—Representatives Gipp, Jacobs, Kurtenbach, Maddox, Manternach, Raecker, Schickel, D. Taylor, Tymeson and Whitaker—408-409

House File 190—Representative Murphy—483
 House File 402—Representative Fallon—514
 House File 419—Representative Whitaker—515
 House Resolution 3—Representatives Greimann and Heddens—159
 House Resolution 3—Representative Hogg—160

STANDING COMMITTEES—

Appointed—22
 Appropriations subcommittees—25
 Committee assignments—22-25

STATE APPEAL BOARD—

(Richard D. Johnson, Chairman)
 Claims approved—271-305
 Claims disapproved—177-179, 553-554, 1346
 Communications from, stating claims filed with—176-179, 270-305, 553-554, 1346

STATE GOVERNMENT, COMMITTEE ON—

Amendment filed—596
 Appointed—24
 Bills introduced—334, 342, 441, 442, 582, 601, 607, 608, 609, 610, 636, 678
 Recommendations—333, 339, 344, 437, 536, 579-581, 595-596, 874
 Subcommittee assignments—161, 182, 183, 236, 237, 360, 376, 397, 412, 431, 432,
 487, 488, 489, 490, 516, 556, 589, 871

STATE OF THE STATE AND BUDGET MESSAGE—

Delivered by Governor Thomas J. Vilsack—54-59
 Resolution relating to the condition of the State Message and Budget Message,
 House Concurrent Resolution 1, designating a joint convention for canvass of votes
 on Monday, January 13, 2003, at 1:30 p.m.; a joint convention on Tuesday,
 January 14, 2003, at 10:00 a.m. for Governor Thomas J. Vilsack to deliver his
 condition of the state and budget message—10, 11 adopted, 12 msgd — S.J. — 16,
 17 adopted & msgd. — H.J. — 37.

STEVENS, GREG—Representative Clay-Dickinson Counties, Assistant Minority
Leader

Amendments filed—742, 783, 923, 924, 925, 1020, 1107, 1130, 1202, 1257, 1503,
 1691
 Amendments offered—1130, 1503
 Bills introduced—20, 21, 81, 82, 104, 110, 165, 168, 197, 241, 382, 402, 456, 469, 497,
 498, 499, 500, 551, 599, 637
 Committee appointments—16, 22, 23, 853
 Explanation of votes—243, 697, 855
 Leave of absences—205, 818
 Presented to the House the Okoboji High School Jazz Band that performed for the
 House before convening—1036
 Resolutions filed—80, 214, 249, 310, 324, 340, 452, 453, 463, 746, 857, 1020
 Resolution offered—463
 Subcommittee assignments—64, 212, 320, 376, 384, 412, 490, 530, 1002, 1085, 1488

STRUYK, DOUG—Representative Pottawattamie County

Amendments filed—742, 782, 783, 902, 923, 924, 925, 973, 1005, 1020, 1035, 1256, 1531

Amendment offered—811

Amendments withdrawn—1047, 1055

Bills introduced—20, 21, 82, 104, 110, 197, 251, 325, 381, 382, 421, 498, 499, 599

Committee appointments—22, 23, 69

Resolutions filed—214, 215, 249, 324, 339, 417, 452, 453, 634, 746, 857, 874

Subcommittee assignments—384, 666, 701, 921, 1085

STUDY BILL COMMITTEE ASSIGNMENTS—

Administration & Rules—64, 65, 518

Agriculture—200, 248, 337, 338, 343, 379, 391, 435, 436, 491, 492, 519, 534, 558, 589, 856

Appropriations—491, 701, 741, 827, 921, 922, 971

Commerce, Regulation & Labor—78, 156, 199, 204, 214, 239, 267, 308, 332, 338, 414, 415, 435, 465, 534, 557, 558, 575

Economic Growth—79, 106, 163, 183, 194, 213, 214, 238, 246, 268, 337, 379, 398, 414, 415, 435, 465, 532, 533, 558, 590

Education—194, 212, 213, 248, 322, 338, 362, 415, 416, 435, 449, 549

Environmental Protection—245, 306, 308, 449, 519

Ethics—199, 465, 518

Government Oversight—338, 379, 415, 701, 827, 972

Human Resources—268, 342, 343, 362, 378, 414, 449, 450, 491, 492, 534, 541, 574, 575

Judiciary—65, 156, 194, 200, 213, 239, 240, 246, 267, 323, 362, 363, 385, 391, 434, 492, 532, 533, 534, 557, 558

Local Government—107, 163, 199, 239, 267, 415, 416, 433, 434, 532, 558

Natural Resources—79, 107, 184, 238, 239, 321, 413, 534, 557

Public Safety—78, 245, 246, 247, 248, 333, 379, 435, 450, 519, 549

State Government—107, 200, 240, 308, 309, 322-323, 332, 361, 362, 399, 413, 414, 436, 449, 491, 518, 519, 558

Transportation—184, 239, 248, 337

Ways and Means—309, 378, 398, 549, 827, 901, 1085, 1152, 1348-1349, 1522, 1681

STUDY BILL SUBCOMMITTEE ASSIGNMENTS—

Assigned—84-85, 106, 156, 162-163, 175, 194, 199, 204, 212, 237-238, 244-245, 265-267, 305, 308, 320-321, 331-332, 337, 342, 350-351, 361, 377-378, 385, 397-398, 412-413, 432-433, 447-449, 458, 465, 490, 517-518, 531-532, 540, 541, 548, 556-557, 573-574, 589, 741, 856, 871, 921, 1002, 1033, 1090, 1168, 1461, 1689

Reassigned—377, 490, 556

STUDY COMMITTEES—

(See also LEGISLATIVE COUNCIL)

Resolutions relating to:

House Concurrent Resolution 7—215,

SUBCOMMITTEE ASSIGNMENTS—

Assigned—64, 77, 84, 106, 155-156, 161, 166, 174-175, 182-183, 193-194, 198, 212, 236-237, 244, 264-265, 308, 318-320, 330-331, 336-337, 342, 350, 360-361, 376-377, 384, 391, 397, 411-412, 431-432, 446-447, 464-465, 487, 490, 516-517, 530-531, 539-540, 540-541, 548, 556, 573, 589, 666, 699-701, 740-741, 781, 826-827, 856.

871, 901, 920-921, 971, 1001-1002, 1019, 1033, 1057, 1085, 1105, 1152, 1168, 1348, 1461, 1488, 1689
 Reassigned—376, 901

SUPREME COURT OF IOWA—

(Chief Justice Louis A. Lavorato)

Delivered the Condition of the Judicial Department's Message—70-77

Resolutions relating to:

House Concurrent Resolution 2, designating a joint convention on Wednesday, January 15, 2003, at 10:00 a.m. for Chief Justice Louis A. Lavorato to deliver his condition of the judicial branch—11 adopted, 12 msgd. — S.J. — 17 adopted & msgd. — H.J. — 37.

SWAIM, KURT—Representative Appanoose-Davis-Wayne Counties

Amendments filed—703, 704, 742, 743, 782, 783, 828, 858, 875, 902, 923, 924, 925, 1004, 1020, 1256, 1300, 1378, 1379, 1381, 1451, 1503

Amendments offered—752, 1378, 1379, 1381, 1503 .

Amendments withdrawn—1162, 1300

Bills introduced—20, 21, 81, 104, 110, 197, 254, 325, 327, 367, 381, 382, 389, 402, 500, 859

Committee appointments—22, 23

Petition presented—325

Resolutions filed—214, 215, 249, 324, 339, 417, 452, 453, 746, 857, 874

Subcommittee assignments—320, 331, 539, 548, 741, 856, 871, 1033, 1085

TAYLOR, DICK—Representative Linn County

Amendments filed—923, 924, 925

Bills introduced—82, 110, 165, 167, 168, 197, 203, 241, 251, 254, 326, 327, 382, 402, 456, 461, 498, 499, 500

Committee appointments—22, 24

Explanation of votes—180, 243, 779

Leave of absences—171, 205, 706

Requested to be added as a sponsor of HF 172—409

Resolutions filed—79, 214, 215, 249, 324, 364, 452, 453, 466, 857

Resolution offered—1464

Subcommittee assignments—183, 193, 194, 318, 331, 488, 556, 1168

TAYLOR, TODD—Representative Linn County, Assistant Minority Leader (as of 1/29/03)

Amendments filed—418, 783, 1153, 1332, 1333, 1334, 1527, 1735

Amendments offered—1334, 1735

Bills introduced—82, 110, 168, 197, 203, 241, 251, 382, 402, 420, 455, 456, 498, 500, 509, 551, 565, 566

Committee appointments—22, 24, 180

Explanation of vote—1520

Leave of absence—611, 859

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—80, 214, 215, 249, 310, 324, 452, 453

Subcommittee assignments—320, 376, 397, 530, 921, 971

TEMPORARY OFFICERS—

Elected—1

Took oath of office—1

TEMPORARY RULES—

Adopted—16

THOMAS, ROGER—Representative **Clayton-Delaware-Fayette** Counties

Amendments filed—521, 563, 742, 902, 923, 924, 925, 1004, 1202, 1332, 1523, 1527, 1531

Amendment withdrawn—1047

Bills introduced—20, 21, 81, 82, 104, 110, 168, 197, 251, 353, 382, 395, 402, 461, 463, 479, 499, 539, 859

Committee appointments—22, 23, 24

Petition presented—1204

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—80, 214, 215, 249, 324, 364, 453, 466, 746, 857, 874, 1522, 1919

Subcommittee assignments—237, 308, 319, 360, 431, 446, 517, 700, 921, 1002, 1152, 1168, 1348

TJEPKES, DAVID A.—Representative **Calhoun-Greene-Webster** Counties

Amendments filed—185, 667, 973, 1257, 1691

Amendments offered—206, 692, 983, 986

Bills introduced—207, 325, 390, 463, 469, 859

Committee appointments—23, 24, 853

Explanation of vote—1030

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 249, 310, 324, 466, 746, 874

Subcommittee assignments—64, 391, 412, 446, 490, 516, 531, 740

TRANSPORTATION, COMMITTEE ON—

Appointed—24

Bills introduced—402, 420, 440, 551, 569, 638

Recommendations—386, 437, 494, 537, 563, 596

Subcommittee assignments—161, 237, 319, 360, 384, 411, 412, 530, 1002

TYMESON, JODI—Representative **Dallas-Madison-Warren** Counties

Amendments filed—549, 875, 974, 1107, 1153, 1202, 1257, 1523, 1530, 1531

Amendments offered—642, 980, 1268, 1283, 1373, 1376, 1507

Bills introduced—20, 60, 66, 67, 81, 110, 167, 207, 242, 250, 254, 335, 345, 346, 352, 381, 389, 498, 499, 635, 784, 859

Bills referred to committee (as acting Speaker)—876

Committee appointments—16, 23, 24

Presided at sessions of the House—876, 1678

Requested to be added as a sponsor of HF 172—409

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 249, 310, 324, 466, 746, 1256

Subcommittee assignments—155, 161, 174, 175, 193, 194, 244, 318, 320, 360, 376, 412, 432, 446, 447, 488, 489, 490, 530, 700, 740, 920, 1002, 1168

UNANIMOUS CONSENT—10, 11, 15, 16, 192, 395, 444, 463, 524, 585, 736, 746, 911, 929, 1139, 1492, 1501, 1507, 1525, 1536, 1681, 1694, 1908, 1915

2260

UNFINISHED BUSINESS CALENDAR—

Bills placed on—737-738, 1082, 1166

UPMEYER, LINDA L.—Representative Cerro Gordo-Franklin-Hancock Counties

Amendments filed—634, 667, 704, 901, 1257, 1303, 1489, 1531

Amendments offered—651, 707, 883, 1126, 1265, 1303

Appointed as teller for canvass of votes—39

Bills introduced—20, 66, 67, 81, 165, 207, 325, 382, 469, 498

Committee appointments—22, 23, 69, 852

Explanation of votes—917, 1018

Leave of absences—726, 860

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 249, 324, 466, 1020, 1060

Resolution offered—1352

Subcommittee assignments—155, 161, 183, 212, 264, 320, 360, 376, 446, 447, 489, 490, 556, 700, 701, 856, 921, 1019

VAN ENGELNHOVEN, JIM—Representative Jasper-Marion Counties

Amendments filed—521, 858, 875, 1020, 1321

Amendments withdrawn—1884, 1886

Bills introduced—67, 110, 242, 325, 326

Committee appointments—23, 24

Leave of absence—611

Presented to the House Ashley Braun, Queen of the 2003 Pella Tulip Festival, her court and her parents—926-927

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—214, 249, 311, 324

Subcommittee assignment—360

VAN FOSSEN, JAMES (J.K.)—Representative Scott County

Amendments filed—974, 1020, 1489, 1682

Amendment offered—1682

Bills introduced—20, 66, 67, 81, 250, 325, 382, 468, 498

Committee appointments—22, 23, 24, 854

Explanation of votes—483, 663, 1167

Presented to the House Rachel Van Fossen who sang "America" before the House convened—1524

Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 324

Subcommittee assignments—198, 318, 331, 337, 464

VAN FOSSEN, JIM (J.R.)—Representative Scott County

Amendments filed—974, 1257

Amendment offered—370

Bills introduced—20, 66, 67, 158, 250, 251, 252, 325, 328, 353, 388, 422, 425, 455, 859

Committee appointments—23, 24, 52, 91

Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—157, 214, 249, 311, 324
 Subcommittee assignments—156, 376, 397, 516, 1033

VISITORS—

Presentation of—46, 104, 373, 545, 739, 825, 855, 856, 917, 971, 1000, 1018, 1030,
 1057, 1134, 1148, 1167, 1316, 1461, 1686

VOTES—

Non-record—690, 692, 693, 752, 883, 914, 948-949, 965, 968, 1055, 1071, 1102, 1143,
 1144, 1278, 1282, 1286, 1300, 1381, 1458, 1482, 1502, 1553, 1554, 1556, 1558,
 1670, 1678, 1681, 1723, 1785, 1864
 Record—801, 806, 812, 813-814, 817, 962, 981-982, 984, 1048-1049, 1054-1055, 1232-
 1233, 1331, 1452-1453, 1455, 1457-1458, 1526-1527, 1697-1698, 1699, 1722-1723,
 1885-1886, 1903-1904
 Quorum call—354, 368, 427, 478, 507, 510, 644, 653, 677, 786, 802, 905, 927, 976,
 1007, 1045, 1067, 1094, 1115, 1137, 1175, 1205, 1258, 1261, 1322, 1378, 1465,
 1534, 1697, 1790

Non-record—1941

Record—2130

WATTS, RALPH—Representative Boone-Dallas Counties

Amendments filed—466, 734, 1169, 1489, 1677, 1678
 Amendments offered—734, 881, 1548, 1552, 1556
 Amendments withdrawn—1677, 1678
 Bills introduced—20, 66, 67, 81, 251, 325, 352, 383, 390, 421, 439, 463
 Committee appointments—22, 23, 24, 852
 Explanation of vote—663
 Presented to the House Jill Martin, winner of the Prudential Spirit of Community
 Award and her parents—1067
 Requested to be added as a sponsor of HJR 5—483
 Resolutions filed—214, 249, 324, 746, 874
 Resolution offered—1352
 Subcommittee assignments—161, 183, 198, 237, 330, 331, 342, 412, 446, 488, 489,
 516, 531, 556, 856, 921

WAYS AND MEANS, COMMITTEE ON—

Amendment filed—1350
 Appointed—24, 180
 Bills introduced—197, 420, 441, 705, 862, 1005, 1007, 1036, 1037, 1045, 1082, 1088,
 1170, 1175, 1205, 1252, 1492, 1534
 Recommendations—195, 417, 437, 702, 874, 969, 1003, 1034-1035, 1086-1087, 1107,
 1169, 1202, 1256, 1349, 1462, 1522, 1681, 1690
 Subcommittee assignments—84, 174, 175, 193, 194, 318, 319, 548, 699, 700, 740,
 826, 920, 1001, 1002, 1057, 1152, 1168, 1348, 1689

WENDT, ROGER F.—Representative Woodbury County

Amendments filed—742, 783, 902, 923, 924, 973, 1020, 1169, 1256, 1320, 1458, 1691
 Amendment offered—1278
 Amendment withdrawn—1047

Bills introduced—20, 21, 81, 82, 104, 110, 111, 165, 168, 188, 191, 197, 207, 241, 251, 326, 328, 357, 367, 382, 402, 425, 456, 461, 467, 498, 499, 599
Committee appointments—10, 23, 24
Resolutions filed—79, 214, 215, 249, 324, 339, 364, 417, 452, 453, 466, 857, 874
Subcommittee assignments—155, 174, 183, 265, 412, 446, 465, 489, 490, 700, 740

WHITAKER, JOHN—Representative **Jefferson-Van Buren-Wapello Counties**
Amendments filed—521, 550, 622, 742, 782, 828, 902, 923, 924, 1020, 1060, 1169, 1256, 1257, 1378, 1379, 1381
Amendments offered—622, 980, 1078, 1479, 1508
Amendment withdrawn—1081
Bills introduced—20, 21, 81, 104, 110, 168, 197, 203, 251, 254, 381, 382, 402, 456, 461, 496, 497, 498, 499, 500, 551, 565, 566, 567, 599, 600
Committee appointments—22, 24
Presented to the House the Honorable Jo Ann Zimmerman, former member of the House and former Lieutenant Governor—37
Requested to be added as a sponsor of HF 172—409
Requested to be added as a sponsor of HF 419—515
Resolutions filed—79, 214, 215, 249, 311, 324, 339, 417, 452, 453, 634, 746, 857, 874, 1488
Subcommittee assignments—161, 198, 237, 319, 432, 921, 1085

WHITEAD, WESLEY—Representative **Woodbury County**
Amendments filed—400, 742, 783, 902, 923, 924, 973, 1256, 1320, 1458
Bills introduced—20, 21, 81, 82, 104, 110, 111, 165, 168, 188, 191, 197, 203, 251, 326, 327, 367, 381, 382, 402, 456, 461, 498, 499, 500
Committee appointments—24
Presented to the House the Honorable Mike Peters, former member of the House—358
Requested to be added as a sponsor of HF 110—235
Requested to be added as a sponsor of HJR 5—483
Resolutions filed—80, 215, 311, 324, 340, 417, 452, 453, 466
Subcommittee assignments—77, 198, 377, 397, 431, 432

WILDERDYKE, PAUL A.—Representative **Harrison-Monona-Pottawattamie Counties**
Amendments filed—521, 974, 1035
Bills introduced—67, 81, 159, 325, 342, 382, 390, 421, 463, 498, 499, 859
Committee appointments—22, 23
Requested to be added as a sponsor of HJR 5—483
Resolutions filed—214, 324, 417, 634, 703
Resolution offered—1092
Subcommittee assignments—155, 183, 265, 360, 376, 412, 489, 530, 701, 1019

WINCKLER, CINDY—Representative **Scott County**
Amendments filed—428, 622, 634, 743, 783, 923, 924, 974, 1320, 1332, 1453, 1457, 1551, 1691, 1720, 1722, 1736, 1785
Amendments offered—428, 622, 686, 981, 1457, 1551, 1720, 1736, 1744
Amendment withdrawn—1785
Bills introduced—20, 21, 81, 82, 104, 110, 165, 168, 197, 203, 251, 381, 382, 402, 439, 455, 456, 461, 497, 498, 499, 500, 551, 600
Committee appointments—23, 24, 52, 91, 854

Explanation of vote—307

Leave of absence—256

Resolutions filed—80, 214, 215, 249, 311, 324, 417, 452, 453, 634, 857

Subcommittee assignments—194, 320, 376, 384, 447, 490, 517, 700, 1002, 1348, 1689

WISE, PHILIP—Representative Lee County

Amendments filed—549, 563, 634, 667, 690, 742, 782, 875, 902, 914, 924, 925, 974,
1020, 1135, 1153, 1169, 1244, 1256, 1320, 1451, 1453, 1458, 1501, 1502, 1692,
1722, 1782

Amendments offered—654, 914, 985, 1094, 1453, 1698, 1722, 1782

Amendments withdrawn—654, 985, 1887

Bills introduced—20, 21, 60, 67, 103, 110, 164, 186, 197, 251, 312, 336, 382, 402, 455,
498, 499, 500, 583

Committee appointments—22, 23

Explanation of vote—824

Leave of absences—496, 747

Resolutions filed—80, 215, 249, 324, 452, 746, 857, 874

Subcommittee assignments—64, 193, 237, 319, 320, 342, 412, 464, 490, 530, 781,
921, 1002, 1152, 1488