

State of Iowa
2003

JOURNAL OF THE HOUSE

2003
EXTRAORDINARY SESSION
EIGHTIETH
GENERAL ASSEMBLY

Convened May 29, 2003
Adjourned June 4, 2003

THOMAS J. VILSACK, Governor
CHRISTOPHER RANTS, Speaker of the House
Mary Kramer, President of the Senate

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JOURNAL OF THE HOUSE

First Calendar Day - First Session Day

Hall of the House of Representatives
Des Moines, Iowa, Thursday, May 29, 2003

Pursuant to the proclamation of the Governor, the Honorable Thomas J. Vilsack, convening the Eightieth General Assembly in Extraordinary Session, the House was called to order at 10:22 a.m., by the Honorable Christopher Rants, Speaker of the House.

Prayer was offered by the Honorable Rod Roberts, state representative from Carroll County.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

COMMUNICATION FROM THE GOVERNOR

Pursuant to Article IV, section XI of the Constitution of the State of Iowa, the following communication from Governor Thomas J. Vilsack was presented and read to the House of Representatives:

May 9, 2003

The Honorable Christopher Rants
Speaker of the House
State Capitol Building
LOCAL

Dear Mr. Speaker:

I hereby submit the Proclamation setting the Extraordinary Session of the Iowa Legislature to convene at 10:00 a.m., May 29, 2003.

Sincerely,
Thomas J. Vilsack
Governor

State of Iowa**Executive Department**

In The Name And By The Authority Of The State Of Iowa

Proclamation

Whereas, the 2003 regular session of the Eightieth General Assembly adjourned pursuant to Senate Concurrent Resolution 21, and

Whereas, beginning with my 2003 Condition of the State Speech and continuing throughout the legislative session that adjourned last week, Iowan repeatedly called on lawmakers to pass the Iowa Values Fund and approve a FY 2003 state budget that funds vital state services, and

Whereas, the Iowa Values Fund will transform the Iowa economy by creating 50,000 high-paying jobs, promoting industry clusters and regional economic development, improving our quality of life and school facilities, and enhancing university research and workforce development, and

Whereas, the Iowa House of Representatives already passed the Iowa Values Fund in an historic and strongly bi-partisan vote last week, and community and business leaders support the Iowa Values Fund as an essential step to creating a more vibrant economy, and

Whereas, the General Assembly failed to pass a FY 2004 budget that adequately funded vital state services and protected the health, safety, and welfare of Iowa citizens, and

Whereas, Iowa cannot wait to create the Iowa Values Fund and cannot afford to underfund vital state services, since doing otherwise will jeopardize the future of Iowa families.

Now, Therefore, I, Thomas J. Vilsack, Governor of the State of Iowa, in accordance with Article IV, Section XI, of the Constitution of the State of Iowa, do hereby proclaim that the Eightieth General Assembly shall convene in extraordinary session in Des Moines, Iowa at 10:00 a.m., on the 29th day of May, 2003, and to that end I do call up and direct the members of the House of Representatives to convene in the House chamber at the State Capitol and members of the Senate to convene in the Senate chamber at the State Capitol at 10:00 a.m., on the 29th of May, 2003, for the purpose which the General Assembly is convened, namely the matter of approving the Iowa Values Fund, a FY 2004 state budget that will protect Iowans' health, safety, and welfare, and matters properly related thereto.

(Seal)

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the great seal of the State of Iowa to be affixed. Done at Des Moines, Iowa, this 9th day of May in the year of our Lord two thousand three.

THOMAS J. VILSACK
Governor

Attest:

CHESTER J. CULVER
Secretary of State

ORGANIZATION OF THE HOUSE

Gipp of Winneshiek moved that all organization matters not specifically provided for in Joint Rule 3 be the same for this Extraordinary Session as for the 2003 Regular Session of the Eightieth General Assembly.

The motion prevailed.

Gipp of Winneshiek moved that the Chief Clerk of the House be directed to send a written message to the Governor and to the Senate informing them that the House was duly organized and ready to transact business and receive any messages that they may transmit.

The motion prevailed.

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, pursuant to the May 9, 2003, proclamation of the Governor, duly organized for the 2003 Extraordinary Session of the Eightieth General Assembly and is ready to receive communications from the House.

MICHAEL E. MARSHALL, Secretary

The House stood at ease at 10:28 a.m., until the fall of the gavel.

The House resumed session at 3:46 p.m., Speaker Rants in the chair.

On motion by Gipp of Winneshiek, the House was recessed at 3:46 p.m., until 7:30 p.m.

EVENING SESSION

The House reconvened at 8:06 p.m., Speaker Rants in the chair.

The House stood at ease at 8:06 p.m., until the fall of the gavel.

The House resumed session at 9:02 p.m., Speaker Rants in the chair.

MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 29, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 614, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions.

MICHAEL E. MARSHALL, Secretary

Roberts of Carroll in the chair at 9:04 p.m.

SENATE AMENDMENT CONSIDERED

Jacobs of Polk called up for consideration **House File 614**, a bill for an act relating to elections and voter registration by implementing requirements of federal law, modifying closing hours of the polls and voter identification requirements, transferring duties relating to conduct of elections and voter registration from the office of secretary of state to the Iowa ethics and campaign disclosure board, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the voter, and delivery of completed absentee ballots to the county commissioner of elections, and including effective date provisions, amended by the Senate, and moved that the House concur in the following Senate amendment H-1614:

H-1614

- 1 Amend House File 614, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 2, by inserting after line 19, the
- 4 following:
- 5 "Sec. __. NEW SECTION. 47.9 STATE PLANNING AND

6 IMPLEMENTATION COMMITTEE.

7 1. A state planning and implementation committee
8 is created to carry out the provisions of this
9 section.

10 2. a. The state planning and implementation
11 committee shall consist of the following members
12 appointed by the governor, subject to confirmation by
13 the senate:

14 (1) The county auditors of the two most populous
15 counties in the state.

16 (2) The county auditor or deputy auditor of a
17 county with a population of twenty-five thousand or
18 more.

19 (3) The county auditor or deputy auditor of a
20 county with a population of less than twenty-five
21 thousand.

22 (4) The president of the Iowa state association of
23 county auditors.

24 (5) The president of the Iowa state association of
25 counties.

26 (6) A representative from the office of auditor of
27 state.

28 (7) A representative of an organization
29 representing persons with disabilities.

30 (8) An eligible elector who is a member of a
31 racial minority.

32 (9) A person with expertise in information
33 technology and who serves in an executive capacity in
34 either the public or private sector.

35 (10) Two persons who are eligible electors.

36 b. The committee shall include the following ex
37 officio members:

38 (1) The state commissioner of elections or the
39 commissioner's designee.

40 (2) A member of the senate appointed by the
41 majority leader of the senate.

42 (3) A member of the house of representatives
43 appointed by the speaker of the house of
44 representatives.

45 (4) A member of the senate appointed by the
46 minority leader of the senate.

47 (5) A member of the house of representatives
48 appointed by the minority leader of the house of
49 representatives.

50 (6) The executive director of the state republican

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1 party.

2 (7) The executive director of the state democratic
3 party.

4 (8) The executive director of the ethics and

5 campaign disclosure board.

6 3. The membership of the committee listed in
7 subsection 2, paragraph "a", shall comply with section
8 69.16. The membership of the committee in subsection
9 2 is not required to comply with section 69.16A. The
10 members of the committee shall elect a chairperson at
11 its organizational meeting.

12 4. The planning and implementation committee shall
13 develop and adopt a plan for compliance with Pub. L.
14 No. 107-252. The plan shall include the information
15 required in section 254 of Pub. L. No. 107-252. The
16 plan shall have as its priority assisting local
17 elections officials in implementing the provisions of
18 Pub. L. No. 107-252. The committee shall also study
19 and make recommendations on the issue of requiring
20 identification of all voters in elections conducted in
21 this state.

22 5. The plan developed and adopted by the committee
23 shall be transmitted to the governor who shall submit
24 the plan to the appropriate federal agency. The state
25 commissioner of elections shall implement the plan
26 developed and adopted by the committee and shall not
27 implement Pub. L. No. 107-252, or spend state and
28 federal funds appropriated for implementation of the
29 plan or of the federal law, in a manner contrary to
30 the provisions of such plan.

31 6. The planning and implementation committee shall
32 periodically submit progress reports to the oversight
33 committee of the legislative council. Once the plan
34 is submitted to the appropriate federal agency, the
35 oversight committee shall monitor implementation of
36 the plan and expenditure of funds relating to
37 implementation of the plan and of Pub. L. No. 107-
38 252."

39 2. Page 2, by inserting before line 20, the
40 following:

41 "Sec. __. Section 48A.8, Code 2003, is amended to
42 read as follows:

43 48A.8 REGISTRATION BY MAIL.

44 1. An eligible elector may register to vote by
45 completing a mail registration form. The form may be
46 mailed or delivered by the registrant or the
47 registrant's designee to the commissioner in the
48 county where the person resides. A separate
49 registration form shall be signed by each individual
50 registrant.

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1 2. An eligible elector who registers by mail and
2 who has not previously voted in an election for
3 federal office in the county of registration shall be

4 required to provide identification documents when
5 voting for the first time in the county, unless the
6 registrant provided on the registration form the
7 registrant's Iowa driver's license number or the last
8 four numerals of the registrant's social security
9 number and the driver's license or partial social
10 security number matches an existing state or federal
11 identification record with the same social security
12 number or Iowa driver's license number and name,
13 including first name and any family forename or
14 surname, and date of birth, including month, date, and
15 year. If the registrant under this subsection votes
16 in person at the polls, or by absentee ballot at the
17 commissioner's office or at a satellite voting
18 station, the registrant shall provide a current and
19 valid photo identification card, or shall present to
20 the appropriate election official one of the following
21 current documents that show the name and address of
22 the registrant:

23 a. Utility bill.

24 b. Bank statement.

25 c. Government check.

26 d. Other government document.

27 3. If the registrant under subsection 2 votes an
28 absentee ballot by mail, the registrant shall provide
29 a photocopy of one of the documents listed in
30 subsection 2 when returning the absentee ballot.

31 4. A registrant under subsection 2 who is required
32 to present identification when casting a ballot in
33 person shall be permitted to vote a provisional ballot
34 if the voter does not provide the required
35 identification documents. If a voter who is required
36 to present identification when casting a ballot votes
37 an absentee ballot by mail, the ballot returned by the
38 voter shall be considered a provisional ballot
39 pursuant to sections 49.81 and 53.31."

40 3. By striking page 7, line 24 through page 9,
41 line 12, and inserting the following:

42 "Sec. __. Section 49.81, Code 2003, is amended to
43 read as follows:

44 49.81 PROCEDURE FOR CHALLENGED VOTER TO CAST
45 PROVISIONAL BALLOT.

46 1. A prospective voter who is prohibited under
47 section 48A.8, subsection 4, section 49.77, subsection
48 4, or section 49.80 from voting except under this
49 section shall be ~~permitted to~~ notified by the
50 appropriate precinct election official that the voter

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1 may cast a paper provisional ballot. If a booth
2 meeting the requirement of section 49.25 is not

3 available at that polling place, the precinct election
4 officials shall make alternative arrangements to
5 insure the challenged voter the opportunity to vote in
6 secret. The marked ballot, folded as required by
7 section 49.84, shall be delivered to a precinct
8 election official who shall immediately seal it in an
9 envelope of the type prescribed by subsection 4. The
10 sealed envelope shall be deposited in ~~a special an~~
11 envelope marked "~~ballots for special precinct~~"
12 "provisional ballots" and shall be considered as
13 having been cast in the special precinct established
14 by section 53.20 for purposes of the postelection
15 canvass."

16 4. By striking page 16, line 7 through page 17,
17 line 2.

18 5. By striking page 19, line 1, through page 29,
19 line 10.

20 6. Page 29, by striking lines 13 through 20, and
21 inserting the following:

22 "Sec. Section 39A.4, subsection 1, paragraph
23 c, Code 2003, is amended by adding the following new
24 subparagraphs:

25 NEW SUBPARAGRAPH. (11) Distributing an absentee
26 ballot application in person to the applicant and the
27 person is not the commissioner, an employee of the
28 commissioner's office, or an absentee ballot courier
29 under section 53.22A.

30 NEW SUBPARAGRAPH. (12) Distributing an absentee
31 ballot application more than seventy days before the
32 election.

33 NEW SUBPARAGRAPH. (13) Returning an absentee
34 ballot application to the commissioner's office and
35 the person is not the applicant or an immediate family
36 member of the applicant as that term is defined in
37 section 53.1A or is not the designee of a voter
38 described in section 53.22, subsection 5.

39 NEW SUBPARAGRAPH. (14) Returning a voted absentee
40 ballot to the commissioner's office and the person is
41 not the voter, an immediate family member of the voter
42 as that term is defined in section 53.1A, an absentee
43 ballot courier under section 53.22A, or the designee
44 of a voter described in section 53.22, subsection 5.

45 Sec. Section 39A.5, subsection 1, paragraph
46 b, Code 2003, is amended by adding the following new
47 subparagraph:

48 NEW SUBPARAGRAPH. (4) As an absentee ballot
49 courier, neglecting or refusing to fill out one or
50 both receipts required under section 53.17."

2 "seventy ~~sixty~~" and inserting the following:

3 "seventy".

4 8. By striking page 29, line 35 through page 30,
5 line 5, and inserting the following: "be distributed
6 by the commissioner's office, or by a person appointed
7 and accredited to the commissioner by a political
8 party as provided in section 53.22A, or by mail by a
9 political party as that term is defined in section
10 43.2. Absentee ballot applications shall not be
11 distributed more than seventy days before the
12 election. An absentee ballot courier shall sign a
13 receipt for absentee ballot applications received from
14 the commissioner's office."

15 9. Page 30, line 23, by striking the word "sixty"
16 and inserting the following: "seventy".

17 10. Page 30, line 26, by striking the word
18 "sixty" and inserting the following: "seventy".

19 11. Page 30, by striking lines 30 and 31, and
20 inserting the following: "and immediately after the
21 absentee ballots are printed, the commissioner".

22 12. By striking page 30, line 34 through page 31,
23 line 1.

24 13. Page 31, line 11, by inserting after the word
25 "ballot." the following: "There shall be printed on
26 the reverse side of the carrier envelope a receipt to
27 be completed by an absentee ballot courier. The
28 receipt shall contain space for the courier to print
29 and sign the courier's name, and indicate the date the
30 courier retrieved the ballot from the voter. The
31 absentee ballot materials mailed to the voter shall
32 include a receipt to be completed by an absentee
33 ballot courier, if applicable, and retained by the
34 voter."

35 14. Page 31, line 19, by inserting after the word
36 "family," the following: "an absentee ballot
37 courier."

38 15. Page 31, by striking line 28, and inserting
39 the following: "registered voter, a member of the
40 voter's immediate family, an absentee ballot
41 courier."

42 16. Page 32, by inserting after line 5 the
43 following:

44 "Sec. ____ Section 53.17, Code 2003, is amended by
45 adding the following new subsection:
46 NEW SUBSECTION. 3. The sealed carrier envelope
47 may be delivered to the commissioner's office by an
48 absentee ballot courier no later than the time the
49 polls are closed on election day or may be mailed to
50 the commissioner by an absentee ballot courier. If an

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1 absentee ballot courier retrieves a ballot from a
2 voter, the courier shall fill out the receipt to be
3 retained by the voter and shall fill out the receipt
4 printed on the carrier envelope. Failure to fill out
5 either receipt is a simple misdemeanor under section
6 39A.5, subsection 1, paragraph "b". A voted absentee
7 ballot courier shall mail or deliver ballots to the
8 commissioner's office within seventy-two hours of
9 retrieving the ballot from the voter. Failure to do
10 so is a violation under section 39A.2, subsection 1,
11 paragraph "b", subparagraph (1).
12 Sec. NEW SECTION. 53.22A ABSENTEE BALLOT
13 COURIERS.

14 Any number of persons from each political party
15 having candidates to be voted for at an election who
16 are appointed and accredited by the executive or
17 central committee of such political party may serve as
18 absentee ballot couriers. An absentee ballot courier
19 is authorized to deliver absentee ballot applications
20 to absentee ballot applicants and to return voted
21 absentee ballots to the commissioner's office. For
22 purposes of this section, "political party" is the
23 same as defined in section 43.2.

24 Sec. EFFECTIVE DATE. This division of this
25 Act, being deemed of immediate importance, takes
26 effect upon enactment."

27 17. Title page, line 2, by inserting after the
28 word "law," the following: "creating a planning and
29 implementation committee,".

30 18. Title page, by striking lines 3 through 6,
31 and inserting the following: "hours of the polls, and
32 making changes".

33 19. By renumbering as necessary.

A non-record roll call was requested.

The ayes were 50, nays 41.

The motion prevailed and the House concurred in the Senate amendment H-1614.

Jacobs of Polk 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. 614)

The ayes were, 53:

Alons	Arnold	Baudler	Boal
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
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	Wilderdike
Roberts, Presiding			

The nays were, 45:

Bell	Berry	Bukta	Cphoon
Connors	Dandekar	Davitt	Fallon
Foege	Ford	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			

Absent or not voting, 2:

Boddicker	Frevert
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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 614** be immediately messaged to the Senate.

On motion by Gipp of Winneshiek the House adjourned at 9:41 p.m., until 9:00 a.m., Friday, May 30, 2003.

JOURNAL OF THE HOUSE

Second Calendar Day - Second Session Day

Hall of the House of Representatives
Des Moines, Iowa, Friday, May 30, 2003

The House met pursuant to adjournment at 9:04 a.m., Speaker Rants in the chair.

Prayer was offered by the Honorable Lance Horbach, state representative from Tama County.

The Journal of Thursday, May 29, 2003 was approved.

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 30, 2003, amended and passed the following bill in which the concurrence of the House is asked:

House File 683, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, providing for the issuance of tax-exempt bonds, 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, providing for a streamlined sales and use tax law, making appropriations, and including effective date and retroactive applicability provisions.

Also: That the Senate has on May 29, 2003, amended and passed the following bill in which the concurrence of the House is asked:

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

Also: That the Senate has on May 30, 2003, adopted the following resolution in which the concurrence of the House is asked:

Senate Concurrent Resolution 22, a concurrent resolution to provide for a temporary adjournment for the purpose of resolving outstanding issues.

MICHAEL E. MARSHALL, Secretary

RESOLUTION FILED

SCR 22, by committee on rules and administration, a concurrent resolution to provide for a temporary adjournment for the purpose of resolving outstanding issues.

Laid over under **Rule 25**.

AMENDMENTS FILED

H—1615	H.F.	692	Senate Amendment
H—1616	H.F.	683	Senate Amendment

On motion by Gipp of Winneshiek the House adjourned at 9:04 a.m., until 9:00 a.m., Monday, June 2, 2003.

JOURNAL OF THE HOUSE

Fifth Calendar Day - Third Session Day

Hall of the House of Representatives
Des Moines, Iowa, Monday, June 2, 2003

The House met pursuant to adjournment at 9:28 a.m., Speaker Rants in the chair.

The Journal of Friday, May 30, 2003 was approved.

On motion by Gipp of Winneshiek the House adjourned at 9:29 a.m., until 5:00 p.m., Tuesday, June 3, 2003.

JOURNAL OF THE HOUSE

Sixth Calendar Day - Fourth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Tuesday, June 3, 2003

The House met pursuant to adjournment at 6:30 p.m., Speaker Rants in the chair.

Prayer was offered by the Honorable Dwayne Alons, state representative from Sioux County.

The Journal of Monday, June 2, 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:

Boggess of Page on request of Gipp of Winneshiek; Foege of Linn and Smith of Marshall on request of Bukta of Clinton.

The House stood at ease at 6:34 p.m., until the fall of the gavel.

The House resumed session at 8:11 p.m., Speaker Rants in the chair.

PRESENTATION TO MINORITY LEADER MYERS

Speaker Rants and Majority Leader Gipp invited to the well of the House, Minority Leader Dick Myers whom is retiring and presented him with a plaque commemorating his service and dedication to the House of Representatives from 1994 through 2003. Serving as the Minority Whip from 1999 - 2000 and as the Minority Leader from 2001 - 2003.

The House rose and expressed it appreciation.

The House stood at ease at 8:14 p.m., until the fall of the gavel.

The House resumed session at 9:33 p.m., Speaker Rants in the chair.

SENATE AMENDMENT CONSIDERED

Hoffman of Crawford called up for consideration **House File 683**, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, providing for the issuance of tax-exempt bonds, 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, providing for a streamlined sales and use tax law, making appropriations, and including effective date and retroactive applicability provisions, amended by the Senate, and moved that the House concur in the following Senate amendment H-1616:

H-1616

1 Amend House File 683, 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 I

6 STATE EMPLOYEE SALARIES

7 Section 1. 2003 Iowa Acts, Senate File 458,
8 section 48, unnumbered paragraphs 1 and 2, if enacted,
9 are amended to read as follows:

10 There is appropriated from the general fund of the
11 state to the salary adjustment fund for distribution
12 by the department of management to the various state
13 departments, boards, commissions, councils, and
14 agencies, and to the state board of regents for those
15 persons employed at the state school for the deaf and
16 the Iowa braille and sight saving school, for the
17 fiscal year beginning July 1, 2003, and ending June
18 30, 2004, the amount of ~~\$28,000,000~~ \$30,000,000, or so
19 much thereof as may be necessary, to fully fund annual
20 pay adjustments, expense reimbursements, and related
21 benefits implemented pursuant to the following:

22 Of the amount appropriated in this section,

23 ~~\$2,668,000~~ \$2,818,000 shall be allocated to the
 24 judicial branch for the purpose of funding annual pay
 25 adjustments, expense reimbursements, and related
 26 benefits implemented for judicial branch employees.
 27 In distributing the remainder of the amount
 28 appropriated in this section, the department of
 29 management, in order to address essential public
 30 protection functions and recognizing the availability
 31 of funds appropriated in other Acts of the general
 32 assembly and other sources, shall give priority, in
 33 descending order, to the department of corrections,
 34 department of human services, and department of public
 35 safety, and then to the remaining state departments,
 36 boards, commissions, councils, and agencies to which
 37 the appropriation is applicable.

38 Sec. 2. STATE COURTS – JUSTICES, JUDGES, AND
 39 MAGISTRATES.

40 1. Of the amount allocated for the judicial branch
 41 in 2003 Iowa Acts, Senate File 458, section 48, if
 42 enacted, \$150,000 is allocated to fund the changes in
 43 this section to the salaries of justices, judges, and
 44 magistrates.

45 2. The following annual salary rates shall be paid
 46 to the persons holding the judicial positions
 47 indicated during the fiscal year beginning July 1,
 48 2003, effective with the pay period beginning December
 49 5, 2003, and for subsequent pay periods:

50 a. Chief justice of the supreme court:

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1	\$ 127,040
2	b. Each justice of the supreme court:	
3	\$ 122,500
4	c. Chief judge of the court of appeals:	
5	.....	\$ 122,380
6	d. Each associate judge of the court of appeals:	
7	.....	\$ 117,850
8	e. Each chief judge of a judicial district:	
9	.....	\$ 116,760
10	f. Each district judge except the chief judge of a judicial district:	
12	.....	\$ 112,010
13	g. Each district associate judge:	
14	.....	\$ 97,610
15	h. Each associate juvenile judge:	
16	.....	\$ 97,610
17	i. Each associate probate judge:	
18	.....	\$ 97,610
19	j. Each judicial magistrate:	
20	.....	\$ 29,100
21	k. Each senior judge:	

22 \$ 6,500

23 3. Persons receiving the salary rates established
24 under subsection 2 shall not receive any additional
25 salary adjustments provided by 2003 Iowa Acts, Senate
26 File 458, division V.

27 DIVISION II

28 APPROPRIATIONS AND APPROPRIATIONS REVISIONS

29 INSURANCE DIVISION

30 Sec. 3. INSURANCE STUDY. There is appropriated
31 from the general fund of the state to the department
32 of commerce for the fiscal year beginning July 1,
33 2003, and ending June 30, 2004, the following amount,
34 or so much thereof as is necessary, to be used for the
35 purpose designated:

36 For the insurance division to implement the school
37 health insurance reform team study in accordance with
38 2003 Iowa Acts, Senate File 386:

39 \$ 15,000

40 DEPARTMENT OF MANAGEMENT

41 Sec. 4. LOCAL GOVERNMENT INNOVATION FUND

42 APPROPRIATION. There is appropriated from the general
43 fund of the state to the department of management for
44 the fiscal year beginning July 1, 2003, and ending
45 June 30, 2004, the following amount, or so much
46 thereof as is necessary, to be used for the purpose
47 designated:

48 For deposit in the local government innovation fund
49 created in section 8.64:

50 \$ 1,000,000

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1 Notwithstanding section 8.64, subsection 4, if
2 enacted by 2003 Iowa Acts, Senate File 453, section
3 27, the local government innovation fund committee may
4 provide up to 20 percent of the amount appropriated in
5 this section in the form of forgivable loans or as
6 grants for those projects that propose a new and
7 innovative sharing initiative that would serve as an
8 important model for cities and counties.

9 DEPARTMENT OF CORRECTIONS

10 Sec. 5. There is appropriated from the rebuild
11 Iowa infrastructure fund to the department of
12 corrections for the fiscal year beginning July 1,
13 2003, and ending June 30, 2004, the following amounts,
14 or so much thereof as is necessary, to be used for the
15 purposes designated:

16 1. For expansion of the Luster Heights facility
17 into a community-based corrections facility and an
18 institutional work and substance abuse treatment
19 center:

20 \$ 92,000

21 2. For conversion of the Clarinda lodge into
 22 minimum security bed space:
 23 \$ 730,400
 24 Sec. 6. 2003 Iowa Acts, Senate File 439, section
 25 4, subsection 1, paragraphs b and g, as enacted, are
 26 amended to read as follows:
 27 b. For the operation of the Anamosa correctional
 28 facility, including salaries, support, maintenance,
 29 employment of correctional officers and a part-time
 30 chaplain to provide religious counseling to inmates of
 31 a minority race, miscellaneous purposes, and for not
 32 more than the following full-time equivalent
 33 positions:
 34 \$ 24,531,917
 35 25,196,085
 36 FTEs 375.75
 37 385.25
 38 Moneys are provided within this appropriation for
 39 one full-time substance abuse counselor for the Luster
 40 Heights facility, for the purpose of certification of
 41 a substance abuse program at that facility. Of the
 42 funds appropriated in this paragraph "b", \$664,168 is
 43 allocated for implementation costs associated with
 44 expansion of the Luster Heights facility.
 45 g. For the operation of the Clarinda correctional
 46 facility, including salaries, support, maintenance,
 47 employment of correctional officers, miscellaneous
 48 purposes, and for not more than the following full-
 49 time equivalent positions:
 50 \$ 18,595,788

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1 19,389,220
 2 FTEs 291.76
 3 304.58
 4 Moneys received by the department of corrections as
 5 reimbursement for services provided to the Clarinda
 6 youth corporation are appropriated to the department
 7 and shall be used for the purpose of operating the
 8 Clarinda correctional facility.
 9 Of the funds appropriated in this paragraph "g",
 10 \$793,432 is allocated for implementation costs
 11 associated with expansion of the conversion of the
 12 Clarinda lodge, with \$277,500 of the allocation for
 13 one-time costs and \$515,932 for ongoing costs.

PUBLIC TRANSIT

15 Sec. 7. 2003 Iowa Acts, Senate File 458, section
 16 8, if enacted, is amended to read as follows:
 17 SEC. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.
 18 Notwithstanding section 312.2, subsection 14, the
 19 amount appropriated from the general fund of the state

20 under section 312.2, subsection 14, to the state
 21 department of transportation for public transit
 22 assistance under chapter 324a for the fiscal year
 23 beginning July 1, 2003, and ending June 30, 2004, is
 24 reduced by the following amount:

25 \$ 1,298,675
 26 2,582,800

27 OFFICE OF THE GOVERNOR

28 Sec. 8. 2003 Iowa Acts, House File 655, section 5,
 29 subsection 1, if enacted, is amended to read as
 30 follows:

31 1. GENERAL OFFICE

32 For salaries, support, maintenance, and
 33 miscellaneous purposes for the general office of the
 34 governor and the general office of the lieutenant
 35 governor, and for not more than the following full-
 36 time equivalent positions:

37 \$ 1,243,643
 38 1,493,643
 39 FTEs 17.25
 40 19.25

41 Of the amount appropriated in this section,
 42 \$250,000 is allocated for two full-time equivalent
 43 positions in the office of the governor that were
 44 previously funded by other state departments and
 45 agencies.

46 DEPARTMENT OF REVENUE

47 Sec. 9. 2003 Iowa Acts, House File 655, section
 48 31, if enacted, is amended to read as follows:
 49 SEC. 31. DEPARTMENT OF REVENUE. There is
 50 appropriated from the general fund of the state to the

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1 department of revenue for the fiscal year beginning
 2 July 1, 2003, and ending June 30, 2004, the following
 3 amounts, or so much thereof as is necessary, to be
 4 used for the purposes designated, and for not more
 5 than the following full-time equivalent positions used
 6 for the purposes designated in subsection 1:

7 FTEs 378.87
 8 380.87

9 Of the full-time equivalent positions authorized in
 10 this section, two full-time equivalent positions are
 11 allocated for new positions to assist in preparation
 12 of information for the revenue estimating conference
 13 and in improving the turnaround time for processing
 14 corporate tax filings.

15 1. COMPLIANCE – INTERNAL RESOURCES MANAGEMENT –
 16 STATE FINANCIAL MANAGEMENT – STATEWIDE PROPERTY TAX
 17 ADMINISTRATION

18 For salaries, support, maintenance, and

19 miscellaneous purposes:
 20 \$ 23,259,111
 21 23,359,111

22 Of the funds appropriated pursuant to this
 23 subsection, \$400,000 shall be used to pay the direct
 24 costs of compliance related to the collection and
 25 distribution of local sales and services taxes imposed
 26 pursuant to chapters 422B and 422E.

27 The director of revenue shall prepare and issue a
 28 state appraisal manual and the revisions to the state
 29 appraisal manual as provided in section 421.17,
 30 subsection 18, without cost to a city or county.

31 2. COLLECTION COSTS AND FEES

32 For payment of collection costs and fees pursuant
 33 to section 422.26:

34 \$ 28,166

35 DEPARTMENT OF PUBLIC HEALTH

36 Sec. 10. 2003 Iowa Acts, House File 667, section
 37 2, subsection 8, as enacted, is amended to read as
 38 follows:

39 8. INFECTIOUS DISEASES

40 For reducing the incidence and prevalence of
 41 communicable diseases, and for not more than the
 42 following full-time equivalent positions:

43 \$ 977,340

44 1,074,888

45 FTEs 36.90

46 DIVISION III

47 MISCELLANEOUS PROVISIONS

48 Sec. 11. GOVERNMENT OVERSIGHT COMMITTEE - REVIEW
 49 OF CONTINUING CARE RETIREMENT COMMUNITIES - ASSISTED
 50 LIVING PROGRAM APPLICABILITY. The government

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1 oversight committees shall review the application of
 2 chapter 231C, relating to assisted living programs, to
 3 continuing care retirement communities, as defined in
 4 section 523D.1. The committees shall submit
 5 recommendations for any legislation deemed necessary
 6 for consideration during the 2004 regular legislative
 7 session.

8 Sec. 12. Section 15E.193B, subsection 4, Code
 9 2003, as amended by 2003 Iowa Acts, Senate File 458,
 10 section 100, if enacted, is amended to read as
 11 follows:

12 4. The eligible housing business shall complete
 13 its building or rehabilitation within two years from
 14 the time the business begins construction on the
 15 single-family homes and dwelling units. The failure
 16 to complete construction or rehabilitation within two
 17 years shall result in the eligible housing business

18 becoming ineligible and subject to the repayment
19 requirements and penalties enumerated in subsection 7.
20 The department may extend the prescribed two-year
21 completion period for any current or future project
22 which has not been completed if the department
23 determines that completion within the two-year period
24 is impossible or impractical as a result of a
25 substantial loss caused by flood, fire, earthquake,
26 storm, or other catastrophe. For purposes of this
27 subsection, "substantial loss" means damage or
28 destruction in an amount in excess of thirty percent
29 of the project's expected eligible basis as set forth
30 in the eligible housing business's application.
31 Sec. 13. Section 215.14, Code 2003, is amended to
32 read as follows:

33 215.14 APPROVAL BY DEPARTMENT.

34 a commercial weighing and measuring device shall
35 not be installed in this state unless approved by the
36 department. ~~All livestock scales and~~

37 1. A pit type scales scale or any other scale
38 installed in a pit, regardless of capacity, that is
39 installed on or after July 1, 1990, shall have a
40 clearance of not less than four feet from the finished
41 floor line of the scale to the bottom of the "I" beam
42 of the scale bridge. Livestock shall not be weighed
43 on any scale other than a livestock scale or pit type
44 scale.

45 2. An electronic pitless scale shall be placed on
46 concrete footings with concrete floor. ~~The concrete~~
47 floor shall allow for adequate drainage away from the
48 scale as required by the department. There shall be a
49 clearance of not less than eight inches between the
50 weigh bridge and the concrete floor to facilitate

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1 inspection and cleaning.

2 3. After approval by the department, the
3 specifications for a commercial weighing and measuring
4 device shall be furnished to the purchaser of the
5 device by the manufacturer. The approval shall be
6 based upon the recommendation of the United States
7 national institute of standards and technology.

8 Sec. 14. Section 231C.17, subsection 4, if enacted
9 by 2003 Iowa Acts, House File 675, section 24, is
10 amended by striking the subsection and inserting in
11 lieu thereof the following:

12 4. A continuing care retirement community, as
13 defined in section 523D.1, may provide limited
14 personal care services and emergency response services
15 to its independent living tenants if all of the
16 following conditions are met:

17 a. The provision of such personal care services or
18 emergency response services does not result in
19 inadequate staff coverage to meet the service needs of
20 all tenants of the continuing care retirement
21 community.

22 b. The staff providing the personal care or
23 emergency response services is trained or qualified to
24 the extent necessary to provide such services.

25 c. The continuing care retirement community
26 documents the date, time, and nature of the personal
27 care or emergency response services provided.

28 d. Emergency response services are only provided
29 in situations which constitute an urgent need for
30 immediate action or assistance due to unforeseen
31 circumstances.

32 This subsection shall not be construed to prohibit
33 an independent living tenant of a continuing care
34 retirement community from contracting with a third
35 party for personal care or emergency response
36 services.

37 Sec. 15. NEW SECTION. 237A.25 CONSUMER
38 INFORMATION.

39 1. The department shall develop consumer
40 information material to assist parents in selecting a
41 child care provider. In developing the material, the
42 department shall consult with department of human
43 services staff, department of education staff, the
44 state child care advisory council, the Iowa
45 empowerment board, and child care resource and
46 referral services. In addition, the department may
47 consult with other entities at the local, state, and
48 national level.

49 2. The consumer information material developed by
50 the department for parents and other consumers of

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1 child care services shall include but is not limited
2 to all of the following:

3 a. A pamphlet or other printed material containing
4 consumer-oriented information on locating a quality
5 child care provider.

6 b. Information explaining important considerations
7 a consumer should take into account in selecting a
8 licensed or registered child care provider.

9 c. Information explaining how a consumer can
10 identify quality services, including what questions to
11 ask of providers and what a consumer might expect or
12 demand to know before selecting a provider.

13 d. An explanation of the applicable laws and
14 regulations written in layperson's terms.

15 e. An explanation of what it means for a provider

16 to be licensed, registered, or unregistered.
17 f. An explanation of the information considered in
18 registry and record background checks.
19 g. Other information deemed relevant to consumers.
20 3. The department shall implement and publicize an
21 internet page or site that provides all of the
22 following:
23 a. The written information developed pursuant to
24 subsections 1 and 2.
25 b. Regular informational updates, including when a
26 child care provider was last subject to a state
27 quality review or inspection and, based upon a final
28 score or review, the results indicating whether the
29 provider passed or failed the review or inspection.
30 c. Capability for a consumer to be able to access
31 information concerning child care providers, such as
32 informational updates, identification of provider
33 location, name, and capacity, and identification of
34 providers participating in the state child care
35 assistance program and those participating in the
36 child care food program, by sorting the information or
37 employing other means that provide the information in
38 a manner that is useful to the consumer. Information
39 regarding provider location shall identify providers
40 located in the vicinity of an address selected by a
41 consumer and provide contact information without
42 listing the specific addresses of the providers.
43 d. Other information deemed appropriate by the
44 department.
45 Sec. 16. Section 384.84, Code 2003, is amended by
46 adding the following new subsection:
47 NEW SUBSECTION. 9. Notwithstanding subsection 3,
48 a lien shall not be filed against the land if the
49 premises are located on leased land. If the premises
50 are located on leased land, a lien may be filed

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1 against the premises only.
2 Sec. 17. Section 422E.3A, subsection 2, paragraph
3 a, if enacted by 2003 Iowa Acts, Senate File 445,
4 section 8, is amended to read as follows:
5 a. A school district that is located in whole or
6 in part in a county that voted on and approved prior
7 to April 1, 2003, the local sales and services tax for
8 school infrastructure purposes and that has a sales
9 tax capacity per student above the guaranteed school
10 infrastructure amount shall receive for the remainder
11 of the term of the tax an amount equal to its pro rata
12 share of the local sales and services tax receipts as
13 provided in section 422E.3, subsection 5, paragraph
14 "d", unless the school board passes a resolution by

15 October 1, 2003, agreeing to receive a distribution
16 pursuant to paragraph "b", subparagraph (1).

17 Sec. 18. Section 422E.3A, subsection 2, paragraph
18 b, subparagraph (1), if enacted by 2003 Iowa Acts,
19 Senate File 445, section 8, is amended to read as
20 follows:

21 (1) a school district that is located in whole or
22 in part in a county that voted on and approved prior
23 to April 1, 2003, the local sales and services tax for
24 school infrastructure purposes and that has a sales
25 tax capacity per student below its guaranteed school
26 infrastructure amount shall receive for the remainder
27 of the term of the tax an amount equal to its pro rata
28 share of the local sales and services tax receipts as
29 provided in section 422E.3, subsection 5, paragraph
30 "d", plus an amount equal to its supplemental school
31 infrastructure amount, unless the school district
32 passes a resolution by October 1, 2003, agreeing to
33 receive only an amount equal to its pro rata share as
34 provided in section 422E.3, subsection 5, paragraph
35 "d", in all subsequent years.

36 Sec. 19. Section 435.26A, subsection 5, as enacted
37 by 2003 Iowa Acts, Senate File 134, section 7, and as
38 amended by 2003 Iowa Acts, Senate File 458, section
39 128, if enacted, is amended to read as follows:

40 5. An owner of a manufactured home who has
41 surrendered a certificate of title under this section
42 and requires another certificate of title for the
43 manufactured home is required to apply for a
44 certificate of title under ~~section 321.42~~ chapter 321.
45 If supporting documents for the reissuance of a title
46 are not available or sufficient, the procedure for the
47 reissuance of a title specified in the rules of the
48 department of transportation shall be used.

49 Sec. 20. Section 459.315, Code 2003, as amended by
50 2003 Iowa Acts, House File 644, if enacted, is amended

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1 by adding the following new subsection:

2 NEW SUBSECTION. 4A. This section shall not
3 require a person to be certified as a confinement site
4 manure applicator if the person applies manure which
5 originates from a manure storage structure which is
6 part of a small animal feeding operation.

7 Sec. 21. Section 508.31A, subsection 2, paragraph
8 a, subparagraph (4), as enacted by 2003 Iowa Acts,
9 House File 647, section 7, is amended to read as
10 follows:

11 (4) a person other than a natural person for the
12 purpose of providing collateral security for
13 securities ~~issued by such person and~~ registered with

14 the federal securities and exchange commission.

15 Sec. 22. 2003 Iowa Acts, Senate File 401, section
16 5, subsection 1, is amended to read as follows:

17 1. Notwithstanding any provision of law to the
18 contrary, the section of this Act creating section
19 453A.2, subsection 5A, is applicable to violations
20 pending on the effective date of this Act for which a
21 penalty has not been assessed under section 453A.22,
22 subsection 2. Notwithstanding this subsection,
23 however, if a county health department, a city health
24 department, or a city assesses a penalty under section
25 453A.22, subsection 2, on or after April 11, 2003 but
26 prior to June 30, 2003, for a violation of section
27 453A.2, subsection 1, which was pending on April 11,
28 2003, the county health department, city health
29 department or city assessing the penalty shall be
30 deemed to have jurisdiction to assess the penalty and
31 the penalty assessed is deemed valid.

32 Sec. 23. 2003 Iowa Acts, Senate File 453, section
33 31, subsection 1, if enacted, is amended to read as
34 follows:

35 1. In lieu of applying a charge for capital assets
36 to the institutions under the control of the state
37 board of regents as otherwise provided in this
38 division for executive branch agencies, the
39 appropriations made from the general fund of the state
40 to the state board of regents for the general
41 university operating budgets at the state university
42 of Iowa, Iowa state university of science and
43 technology, and university of northern Iowa, in 2003
44 Iowa Acts, House File 662, section 9, subsections 2,
45 3, and 4, are reduced by \$17,880,000. ~~The state board~~
46 ~~of regents shall apply the reduction as follows: state~~
47 ~~university of Iowa, 46.7 percent, Iowa state~~
48 ~~university of science and technology, 36.8 percent,~~
49 ~~and university of northern Iowa, 16.5 percent.~~

50 Sec. 24. 2003 Iowa Acts, Senate File 458, section

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1 21, unnumbered paragraph 3, if enacted, is amended to
2 read as follows:

3 Of the funds appropriated in this section, up to
4 \$10,000 is transferred to the Iowa department of
5 public health human services for allocation to
6 community mental health centers to provide counseling
7 services to persons who are members of the national
8 guard and reservists activated but as yet not sent to
9 combat zones and to the persons' family members. The
10 sessions shall be provided on a first come, first
11 served basis and shall be limited to three visits per
12 family.

13 Sec. 25. 2003 Iowa Acts, Senate File 458, section
14 149, if enacted, is amended to read as follows:
15 SEC. 149. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR
16 PHYSICIAN SERVICES. To the extent that, pursuant to
17 law enacted by the Eightieth General Assembly, 2003
18 Session, supplemental payment adjustments are
19 implemented for physician services provided to medical
20 assistance program participants at publicly owned
21 acute care hospitals, the department of human services
22 shall not, directly or indirectly, recoup the
23 supplemental payment adjustments for any reason,
24 unless an amount equivalent to the amount of
25 adjustment funds ~~that were~~ is first transferred to the
26 ~~department by the state university of Iowa college of~~
27 ~~medicine is transferred by the department to the~~
28 ~~qualifying physicians. Any such amount transferred~~
29 ~~and identified as a supplemental payment under this~~
30 ~~section shall then be refunded to the department of~~
31 ~~human services, per the agreement executed for this~~
32 ~~purpose between the department and the university of~~
33 ~~Iowa.~~

34 Sec. 26. 2003 Iowa Acts, Senate File 458, section
35 171, subsection 1, if enacted, is amended to read as
36 follows:
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~~ public and private agencies and
49 ~~military installations, as defined in chapter 8D,~~ now
50 provided by the network. Through such a sale, the

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1 state would eliminate the need for ongoing annual
2 appropriations while preserving the key benefits
3 enjoyed by the state under the present state ownership
4 of the network. The state also expects to obtain
5 sufficient proceeds from such a sale to cover existing
6 obligations and to realize additional proceeds above
7 the level of such obligations. Given the current
8 depressed state of the telecommunications industry,
9 the state can reasonably be expected to maximize sales
10 proceeds by allowing a purchaser a period of time in
11 which to assemble financing for its purchase. During

12 the interim between enactment of this division of this
13 Act and completion of a sale, the services of a
14 private-enterprise manager with experience operating
15 telecommunications networks can reasonably be expected
16 to reduce the costs of operating the Iowa
17 communications network, thereby lowering annual
18 appropriations.

19 Sec. 27. 2003 Iowa Acts, Senate File 458, section
20 172, subsection 2, paragraph b, if enacted, is amended
21 to read as follows:

22 b. Select a manager and enter into a management
23 contract with the manager by October 1, 2004. The
24 management contract shall provide for the continuation
25 of all services currently being provided to ~~state and~~
26 federal public and private agencies and ~~military~~
27 ~~installations~~ pursuant to chapter 8D, at the rates
28 specified therein, for the duration of the contract.
29 The contract shall also specify the manager's
30 authority in relation to the duties of the commission
31 during the period between execution of the management
32 contract and closing of the sale of the network. The
33 commission shall establish a dispute resolution
34 process regarding rate increases, quality of service
35 issues, and other areas of dispute involving network
36 subscribers. The commission shall also make
37 recommendations regarding imposition of an ongoing
38 dispute resolution and appeals process commencing with
39 the closing of the sale of the network.

40 Sec. 28. 2003 Iowa Acts, Senate File 458, section
41 173, subsection 1, if enacted, is amended to read as
42 follows:

43 1. ~~The principal place of business of the~~
44 ~~purchaser and any parent of the purchaser shall be~~
45 ~~located~~ operating in the state of Iowa.

46 Sec. 29. 2003 Iowa Acts, Senate File 458, section
47 174, subsection 4, if enacted, is amended to read as
48 follows:

49 4. Agree to continue all services currently being
50 provided to ~~state and federal~~ public and private

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1 ~~agencies and military installations, as defined in~~
2 chapter 8D, 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. 30. 2003 Iowa Acts, House File 667, section
10 27, subsection 1, unnumbered paragraph 2, is amended

11 to read as follows:

12 For costs associated with the commitment and
 13 treatment of sexually violent predators in the unit
 14 located at the state mental health institute at
 15 Cherokee, including costs of legal services and other
 16 associated costs, including salaries, support,
 17 maintenance, and miscellaneous purposes and for not
 18 more than the following full-time equivalent
 19 positions:
 20 \$ 2,675,179
 21 FTEs 46.00
 22 57.00

23 Sec. 31. EFFECTIVE DATE – RETROACTIVE
24 APPLICABILITY.

25 1. The section of this division of this Act
26 amending section 231C.17, being deemed of immediate
27 importance, takes effect upon enactment.

28 2. The section of this division of this Act
29 amending 2003 Iowa Acts, Senate File 401, being deemed
30 of immediate importance, takes effect upon enactment
31 and is retroactively applicable to April 11, 2003.

32 DIVISION IV

33 CORRECTIVE PROVISIONS

34 Sec. 32. Section 8A.505, as enacted by 2003 Iowa
 35 Acts, House File 534, section 87, is amended by adding
 36 the following new unnumbered paragraph:
 37 NEW UNNUMBERED PARAGRAPH. There is appropriated
 38 annually from the increase in indirect cost
 39 reimbursements over the amount of indirect cost
 40 reimbursements received during the fiscal year
 41 beginning July 1, 2002, to the office of grants
 42 enterprise management of the department of management
 43 the sum of up to one hundred twenty-five thousand
 44 dollars. The director shall transfer the funds
 45 appropriated to the department of management as
 46 provided in this paragraph and shall make the funds
 47 resulting from the increase in reimbursements
 48 available during the fiscal year to the department of
 49 management on a monthly basis. If the amount of the
 50 increase in indirect cost reimbursements is

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1 insufficient to pay the maximum appropriation provided
2 for in this paragraph, the amount appropriated is
3 equal to the amount of such increase.

4 Sec. 33. Section 12C.4, Code 2003, as amended by
5 2003 Iowa Acts, House File 289, section 2, is amended
6 to read as follows:

7 12C.4 LOCATION OF DEPOSITORIES.

8 Deposits by the treasurer of state shall be in
9 depositories located in this state; by a county

10 officer or county public hospital officer or merged
11 area hospital officer, in depositories located in the
12 county or in an adjoining county within this state; by
13 a memorial hospital treasurer, in a depository located
14 within this state which shall be selected by the
15 memorial hospital treasurer and approved by the
16 memorial hospital commission; by a city treasurer or
17 other city financial officer, in depositories located
18 in the county in which the city is located or in an
19 adjoining county, but if there is no depository in the
20 county in which the city is located or in an adjoining
21 county then in any other depository located in this
22 state which shall be selected as a depository by the
23 city council; by a school treasurer or by a school
24 secretary in a depository within this state which
25 shall be selected by the board of directors or the
26 trustees of the school district; by a township clerk
27 in a depository located within this state which shall
28 be selected by the township clerk and approved by the
29 trustees of the township. However, deposits may be
30 made in depositories outside of Iowa for the purpose
31 of paying principal and interest on bonded
32 indebtedness of any municipality when the deposit is
33 made not more than ten days before the date the
34 principal or interest becomes due. Further, the
35 treasurer of state may maintain an account or accounts
36 outside the state of Iowa for the purpose of providing
37 custodial services for the state and state retirement
38 fund accounts. Deposits made for the purpose of
39 completing an electronic financial transaction
40 pursuant to section ~~14B-203~~ 8A.222 or 331.427 may be
41 made in any depository located in this state.

42 Sec. 34. Section 29A.28, subsection 3, as enacted
43 by 2003 Iowa Acts, House File 674, section 3, is
44 amended to read as follows:

45 3. Upon returning from a leave of absence under
46 this section, an employee shall be entitled to return
47 to the same position and classification held by the
48 employee at the time of entry ~~onto~~ into state active
49 duty, active state service, or federal service or to
50 the position and classification that the employee

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1 would have been entitled to if the continuous civil
2 service of the employee had not been interrupted by
3 state active duty, active state service, or federal
4 service. Under this subsection, "position" includes
5 the geographical location of the position.

6 Sec. 35. Section 70A.39, subsection 1, paragraph
7 b, as enacted by 2003 Iowa Acts, House File 381,
8 section 1, is amended to read as follows:

9 b. ~~Vascularized~~ Vascular organ means a heart,
10 lung, liver, pancreas, kidney, intestine, or other
11 organ that requires the continuous circulation of
12 blood to remain useful for purposes of
13 transplantation.

14 Sec. 36. Section 99B.7, subsection 1, paragraph 1,
15 subparagraph (1), Code 2003, as amended by 2003 Iowa
16 Acts, Senate File 453, section 104, if enacted, is
17 amended to read as follows:

18 (1) No other gambling is engaged in at the same
19 location, except that lottery tickets or shares issued
20 by the Iowa lottery division of the department of
21 ~~revenue and finance~~ authority may be sold pursuant to
22 chapter 99G.

23 Sec. 37. Section 507A.4, subsection 9, paragraph
24 e, as enacted by 2003 Iowa Acts, House File 647,
25 section 4, is amended to read as follows:

26 e. When not otherwise provided, a foreign or
27 domestic multiple ~~employee~~ employer welfare
28 arrangement doing business in this state shall pay to
29 the commissioner of insurance the fees as required in
30 section 511.24.

31 Sec. 38. Section 556.11, subsection 5, Code 2003,
32 as amended by 2003 Iowa Acts, Senate File 180, section
33 2, is amended to read as follows:

34 5. If the holder of property presumed abandoned
35 under this chapter knows the whereabouts of the owner
36 and if the owner's claim has not been barred by the
37 statute of limitations, the holder shall, before
38 filing the annual report, communicate with the owner
39 and take necessary steps to prevent abandonment from
40 being presumed. The holder shall exercise due
41 diligence to ascertain the whereabouts of the owner. A
42 holder is not required to make a due diligence mailing
43 to owners whose property has an aggregate value of
44 less than fifty dollars. The treasurer of state may
45 charge a holder that fails to timely exercise due
46 diligence, as required in this subsection, five
47 dollars for each name and address account reported if
48 thirty-five percent ~~of~~ or more of the accounts are
49 claimed within the twenty-four months immediately
50 following the filing of the holder report.

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1 Sec. 39. 2003 Iowa Acts, Senate File 438, section
2 3, is repealed.

3 Sec. 40. 2003 Iowa Acts, Senate File 453, section
4 11, if enacted, is amended to read as follows:

5 SEC. 11. Sections ~~403.23~~, 405A.1, 405A.2, 405A.3,
6 405A.4, 405A.5, 405A.6, 405A.7, 405A.8, 405A.9,
7 405A.10, 422.65, 427A.12, and 427B.19B, Code 2003, are

8 repealed.

9 Sec. 41. 2003 Iowa Acts, Senate File 458, section
10 13, if enacted, is amended to read as follows:

11 SEC. 13. REDUCTION IN CREDITS NOT APPLICABLE. The
12 ~~provision~~ provisions in section 25B.7 relating to the
13 proration of the property tax credits ~~does~~ and the
14 estimation of the portion of the credit or exemption
15 which will be funded do not apply with respect to the
16 amount of state reimbursement for property tax credits
17 under this division.

18 Sec. 42. 2003 Iowa Acts, Senate File 458, section
19 159, if enacted, is amended to read as follows:

20 SEC. 159. EFFECTIVE DATES. The following
21 provisions of this division of this Act, being deemed
22 of immediate importance, take effect upon enactment:

23 1. The amendments to sections 8.23, 8.31, and 8.57
24 which are first applicable to appropriations made for
25 the fiscal year beginning July 1, 2003.

26 2. The amendment to section 12E.12.

27 3. The amendments to sections 15E.42, 15E.43,
28 15E.45, and 15E.51, which apply retroactively to
29 January 1, 2002, for tax years beginning on or after
30 that date.

31 4. The amendment to section 15E.193B.

32 5. The amendment to section 435.26A.

33 6. The amendment to section 453A.2, which shall
34 only take effect if 2003 Iowa Acts, Senate File 401,
35 is enacted by the Eightieth General Assembly, 2003
36 Regular Session.

37 7. The amendments to sections 453C.1 and 453C.2
38 and the related severability provision.

39 8. The amendments to sections 518.18 and 518A.35.

40 9. The section directing the department of
41 corrections to develop a plan for selling certain
42 land.

43 10. The section relating to the sales and use tax
44 refund.

45 11. The section relating to the school district
46 reimbursement claim.

47 The sections of this division of this Act amending
48 section 80B.5 and enacting section 80B.5a are
49 applicable to the appointment of the director of the
50 Iowa law enforcement academy for the term beginning

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1 May 1, 2004.

2 ~~Section 29C.8, subsection 3, paragraph "f", as~~

3 ~~enacted in this division of this Act, and the~~

4 ~~amendment to section 29C.20, subsection 1, as enacted~~

5 ~~in this division of this Act, take effect July 1,~~

6 ~~2004.~~

7 Sec. 43. 2003 Iowa Acts, House File 171, section
8 112, the bill section amending clause, is amended to
9 read as follows:

10 Section 656.2, subsection 2, paragraph a,
11 unnumbered paragraph 1+ 3, Code 2003, is amended to
12 read as follows:

13 Sec. 44. 2003 Iowa Acts, House File 662, section
14 5, subsection 8, paragraphs a and b, if enacted, are
15 amended to read as follows:

16 a. Of the amount appropriated in this ~~section~~
17 subsection, \$347,371 shall be allocated to the public
18 broadcasting division for purposes of providing
19 support for functions related to the Iowa
20 communications network, including but not limited to
21 the following functions: development of distance
22 learning applications; development of a central
23 information source on the internet relating to
24 educational uses of the network; second-line technical
25 support for network sites; testing and initializing
26 sites onto the network; and coordinating the work of
27 the education telecommunications council.

28 b. Of the amount appropriated in this ~~section~~
29 subsection, \$1,272,285 shall be allocated to the
30 regional telecommunications councils established in
31 section 8D.5. The regional telecommunications
32 councils shall use the funds to provide technical
33 assistance for network classrooms, planning and
34 troubleshooting for local area networks, scheduling of
35 video sites, and other related support activities.

36 Sec. 45. 2003 Iowa Acts, House File 662, section
37 6, unnumbered paragraph 2, if enacted, is amended to
38 read as follows:

39 The funds allocated in this ~~subsection~~ section
40 shall be distributed as follows:

41 Sec. 46. 2003 Iowa Acts, House File 662, section
42 18, if enacted, is repealed.

43 Sec. 47. EFFECTIVE AND APPLICABILITY DATES.

44 1. The section of this division of this Act
45 amending section 29A.28, subsection 3, being deemed of
46 immediate importance, takes effect upon enactment and
47 applies retroactively to January 1, 2003.

48 2. The section of this division of this Act
49 amending 2003 Iowa Acts, Senate File 458, section 159,
50 being deemed of immediate importance, takes effect

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1 upon enactment.

2 3. 2003 Iowa Acts, Senate File 458, section 140,
3 relating to nonreversion of funds appropriated in 1996
4 Iowa Acts, chapter 1218, and 1997 Iowa Acts, chapter
5 215, if enacted, being deemed of immediate importance,

6 takes effect upon enactment of this Act.

7 DIVISION V

8 ALTERNATIVE FORMS OF LOCAL GOVERNMENT

9 Sec. 48. Section 331.234, subsections 3 and 4,
10 Code 2003, as amended by 2003 Iowa Acts, Senate File
11 390, section 4, if enacted, are amended to read as
12 follows:

13 3. The board shall make available to the
14 commission in-kind services such as office space,
15 printing, supplies, and equipment. ~~The county and~~
16 ~~shall pay from the segregated account established in~~
17 ~~subsection 4,~~ the other necessary expenses of the
18 commission including compensation for secretarial,
19 clerical, professional, and consultant services. The
20 total annual expenses, not including the value of in-
21 kind expenses, to be paid from public funds shall not
22 exceed one hundred thousand dollars or an amount equal
23 to thirty cents times the population of the commission
24 area, according to the most recent certified federal
25 census. The commission may employ staff as necessary.

26 4. ~~The~~ Except as otherwise provided in subsection
27 5, the expenses of the commission shall be paid by
28 each city and county participating in the charter
29 process or may be paid from the general fund of the
30 county. Expenses of the commission may also be paid
31 from any combination of public or private funds
32 available for that purpose. ~~Each city's share shall~~
33 ~~be its pro rata share of the expenses based upon the~~
34 ~~ratio that the population of the city bears to the~~
35 ~~total population in the county.~~ ~~The county's share~~
36 ~~shall be its pro rata share of expenses based upon the~~
37 ~~ratio that the population of the unincorporated area~~
38 ~~of the county bears to the total population of the~~
39 ~~county.~~ ~~The amount paid by each city and county~~
40 ~~participating in the charter process shall be~~
41 ~~deposited in a segregated account maintained by the~~
42 ~~county.~~ The commission's annual expenses may exceed
43 the amount in subsection 3 only if the excess is paid
44 from private funds. If a proposed charter is
45 submitted to the electorate, private funds donated to
46 the commission may be used to promote passage of the
47 proposed charter.

48 Sec. 49. Section 331.234, Code 2003, is amended by
49 adding the following new subsection:

50 NEW SUBSECTION. 5. In the case of a city-county

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1 consolidation charter commission or a community
2 commonwealth charter commission, the expenses of the
3 commission shall be paid by each city and county
4 participating in the charter process pursuant to

5 section 331.233A. Each participating city's share
6 shall be its pro rata share of the expenses based upon
7 the ratio that the population of the city bears to the
8 total population in the county. The remainder shall
9 be paid from the general fund of the county. The
10 amount paid by each city and county participating in
11 the charter process shall be deposited in a segregated
12 account maintained by the county.

13 Sec. 50. Section 331.235, subsection 3, Code 2003,
14 as amended by 2003 Iowa Acts, Senate File 390, section
15 5, if enacted, is amended to read as follows:

16 3. Within twenty months after organization, the
17 commission shall submit the final report to the board.
18 If the commission is created pursuant to section
19 331.264, subsection 4, the commission shall submit the
20 final report to the board within five months after
21 submission of the preliminary report to the board
22 pursuant to section 331.264, subsection 3. A
23 commission created pursuant to section 331.264,
24 subsection 4, may adopt a motion granting itself a
25 sixty-day extension of time for submission of its
26 final report. If the commission recommends a charter
27 including a form of government other than the existing
28 form of government, the final report shall include the
29 full text and an explanation of the proposed charter,
30 ~~a statement of whether the elected officers shall be~~
31 ~~elected on a partisan or nonpartisan basis,~~ an
32 analysis of the fiscal impact of the proposed charter,
33 any comments deemed desirable by the commission, and
34 any minority reports. The final report may recommend
35 no change to the existing form of government and that
36 no charter be submitted to the electorate, in which
37 case, the report shall state the reasons for and
38 against a change in the existing form of government.
39 The final report shall be made available to the
40 residents of the county upon request. A summary of
41 the final report shall be published in the official
42 newspapers of the county and in a newspaper of general
43 circulation in each participating city.

44 Sec. 51. Section 331.238, subsection 4, if enacted
45 by 2003 Iowa Acts, Senate File 390, section 9, is
46 amended to read as follows:

47 ~~4. Subsections 1 and 2 do~~ This section does not
48 apply to the city-county consolidated form of
49 government or the community commonwealth form of
50 government.

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1 Sec. 52. Section 331.247, subsection 4, Code 2003,
2 as amended by 2003 Iowa Acts, Senate File 390, section
3 11, if enacted, is amended to read as follows:

4 4. If an alternative form of government for a
5 consolidated unit of local government is proposed,
6 approval of the consolidation charter shall be
7 separate from approval of the alternative form of
8 government in those cities proposed to be included in
9 the consolidation. The question of whether the
10 election of officers of the consolidated unit of local
11 government shall be with regard to political
12 affiliation shall be a separate question on the
13 ballot. Adoption of the consolidation charter
14 requires the approval of a majority of the votes cast
15 in the entire county. A city named on the ballot is
16 included in the consolidation if the proposed charter
17 is approved by a majority of the votes cast in the
18 city. The consolidation charter shall be effective in
19 regard to a city government only if a majority of the
20 voters of the city voting on the question voted for
21 participation in the consolidation charter.

22 Sec. 53. Section 331.248, subsection 2, paragraph
23 j, if enacted by 2003 Iowa Acts, Senate File 390,
24 section 13, is amended by striking the paragraph and
25 inserting in lieu thereof the following:

26 j. Provide for the effective date of the adopted
27 charter.

28 Sec. 54. Section 331.252, Code 2003, as amended by
29 2003 Iowa Acts, Senate File 390, section 18, if
30 enacted, is amended by adding the following new
31 unnumbered paragraph after unnumbered paragraph 2:
32 **NEW UNNUMBERED PARAGRAPH.** If the charter described
33 on this ballot is adopted, should officers of the new
34 government be elected with regard to political
35 affiliation?

36 Sec. 55. Section 331.254, subsection 7, Code 2003,
37 as amended by 2003 Iowa Acts, Senate File 390, section
38 19, if enacted, is amended to read as follows:

39 7. The merger of the elective offices of each
40 consolidating county with the election of new officers
41 within sixty days after the effective date of the
42 charter ~~which shall specifically provide whether the~~
43 ~~election of new officers shall be on a partisan or~~
44 ~~nonpartisan basis, notwithstanding section 331.238,~~
45 ~~subsection 3.~~ The elections shall be conducted by the
46 county commissioner of elections of each county. No
47 primary election shall be held. Nominations shall be
48 made pursuant to section 43.78 and chapters 44 and 45,
49 as applicable, except that the filing deadline shall
50 be forty days before the election.

1 Sec. 56. Section 331.261, subsection 11, Code
2 2003, as amended by 2003 Iowa Acts, Senate File 390,

3 section 22, if enacted, is amended by striking the
4 subsection and inserting in lieu thereof the
5 following:

6 11. The effective date of the adopted charter.

7 Sec. 57. Section 331.264, subsection 4, if enacted
8 by 2003 Iowa Acts, Senate File 390, section 25, is
9 amended to read as follows:

10 4. If the committee report recommends a city-
11 county consolidation or community commonwealth, the
12 committee shall continue its existence and be
13 designated, and operate with the powers and duties of,
14 a commission created pursuant to section 331.233A. If
15 the committee report recommends a multicounty
16 consolidation, the committee shall continue its
17 existence and be designated, and operate with the
18 powers and duties of, a commission created pursuant to
19 section 331.233. ~~If the committee recommends an~~
20 ~~alternative form of government, that recommendation~~
21 ~~shall state whether elections conducted under that~~
22 ~~form of government shall be partisan or nonpartisan.~~

23 Sec. 58. EFFECTIVE AND APPLICABILITY DATES. This
24 division of this Act, being deemed of immediate
25 importance, takes effect upon enactment and applies to
26 charter commissions in existence on that date.

27 DIVISION VI

28 CRIMINAL OFFENDERS AND INMATES

29 Sec. 59. Section 321J.2, subsection 2, paragraph
30 a, subparagraph (1), Code 2003, is amended to read as
31 follows:

32 (1) Imprisonment in the county jail for not less
33 than forty-eight hours, to be served as ordered by the
34 court, less credit for any time the person was
35 confined in a jail or detention facility following
36 arrest or for any time the person spent in a court-
37 ordered operating-while-intoxicated program that
38 provides law enforcement security. However, the
39 court, in ordering service of the sentence and in its
40 discretion, may accommodate the defendant's work
41 schedule.

42 Sec. 60. NEW SECTION. 811.2A PRETRIAL RELEASE.

43 a person, who has been released under a plan of
44 pretrial release or on the person's own recognizance
45 and who is subsequently arrested for a new criminal
46 offense while under the plan of pretrial release or
47 released on the person's own recognizance, shall not
48 be eligible for another release pursuant to pretrial
49 release guidelines or released on the person's own
50 recognizance, if all of the following apply:

2 based on a set of facts or an event that is different
3 than involved in the earlier arrest.

4 2. The new criminal offense is classified as
5 greater than a serious misdemeanor.

6 However, a person may be admitted to bail if
7 eligible pursuant to section 811.1.

8 Sec. 61. Section 901.4, Code 2003, is amended to
9 read as follows:

10 901.4 PRESENTENCE INVESTIGATION REPORT
11 CONFIDENTIAL - DISTRIBUTION.

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

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1 692A.13A for performing the assessment of risk.
2 Sec. 62. Section 901B.1, subsection 1, paragraph
3 c, subparagraph (5), Code 2003, is amended to read as
4 follows:

5 (5) a substance abuse treatment facility as
6 established and operated by the Iowa department of
7 public health or the department of corrections.

8 Sec. 63. Section 903A.2, subsection 1, paragraph
9 a, Code 2003, is amended to read as follows:

10 a. Category "A" sentences are those sentences
11 which are not subject to a maximum accumulation of
12 earned time of fifteen percent of the total sentence
13 of confinement under section 902.12. To the extent
14 provided in subsection 5, category "A" sentences also
15 include life sentences imposed under section 902.1.
16 An inmate of an institution under the control of the
17 department of corrections who is serving a category
18 "A" sentence is eligible for a reduction of sentence
19 equal to one and two-tenths days for each day the
20 inmate demonstrates good conduct and satisfactorily
21 participates in any program or placement status
22 identified by the director to earn the reduction. The
23 programs include but are not limited to the following:

24 (1) Employment in the institution.

25 (2) Iowa state industries.

26 (3) An employment program established by the
27 director.

28 (4) a treatment program established by the
29 director.

30 (5) An inmate educational program approved by the
31 director.

32 An inmate serving a category "A" sentence is
33 eligible for an additional reduction of sentence of up
34 to three hundred sixty-five days of the full term of
35 the sentence of the inmate for exemplary acts. In
36 accordance with section 903A.4, the director shall by
37 policy identify what constitutes an exemplary act that
38 may warrant an additional reduction of sentence.

39 Sec. 64. Section 903A.3, subsection 2, Code 2003,
40 is amended to read as follows:

41 2. The orders of the administrative law judge are
42 subject to appeal to the superintendent or warden of
43 the institution, or the superintendent's or warden's
44 designee, who may either affirm, modify, remand for
45 correction of procedural errors, or reverse an order.
46 However, sanctions shall not be increased on appeal.
47 ~~a decision of the superintendent, warden, or designee~~
48 ~~is subject to review by the director of the Iowa~~
49 ~~department of corrections who may either affirm,~~
50 ~~modify, remand for correction of procedural errors, or~~

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1 reverse the decision. However, sanctions shall not be
2 increased on review.

3 Sec. 65. NEW SECTION. 904.117 INTERSTATE COMPACT
4 FUND.

5 An interstate compact fund is established under the
6 control of the department. All interstate compact
7 fees collected by the department pursuant to section
8 907B.5 shall be deposited into the fund and the moneys
9 shall be used by the department to offset the costs of
10 complying with the interstate compact for adult
11 offender supervision in chapter 907B. Notwithstanding
12 section 8.33, moneys remaining in the fund at the end
13 of a fiscal year shall not revert to the general fund
14 of the state. Notwithstanding section 12C.7, interest
15 and earnings deposited in the fund shall be credited
16 to the fund.

17 Sec. 66. Section 904.503, subsection 2, Code 2003,
18 is amended to read as follows:

19 2. When the director has cause to believe that an
20 inmate in a state correctional institution is mentally
21 ill, the Iowa department of corrections may cause the
22 inmate to be transferred to the Iowa medical and
23 classification center, or to another appropriate
24 facility within the department, for examination,
25 diagnosis, or treatment. The inmate shall be confined
26 at that institution center or facility or a state
27 hospital for persons with mental illness until the
28 expiration of the inmate's sentence or until the
29 inmate is pronounced in good mental health. If the
30 inmate is pronounced in good mental health before the
31 expiration of the inmate's sentence, the inmate shall
32 be returned to the state correctional institution
33 until the expiration of the inmate's sentence.

34 Sec. 67. Section 904.508, subsection 2, Code 2003,
35 is amended to read as follows:

36 2. Pursuant to section 904.702, the director
37 shall establish and maintain an inmate savings fund in
38 an interest-bearing account for the deposit of all or
39 part of an inmate's allowances, as provided in section
40 904.702 and amounts, except amounts directed to be
41 deposited in the inmate telephone fund established in
42 section 904.508A, sent to the inmate from a source
43 other than the department. All or part of an inmate's
44 allowances and amounts, except amounts directed to be
45 deposited in the inmate telephone fund established in
46 section 904.508A, from a source other than the
47 department shall be deposited into the savings fund,
48 until the inmate's deposit is equal to the amount due
49 the inmate upon discharge, parole, or placement on
50 work release, one hundred dollars as provided in

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1 section 906.9. If an inmate's deposits are equal this
2 ~~amount to or in excess of one hundred dollars~~, the
3 inmate may voluntarily withdraw from the savings fund.
4 The director shall notify the inmate of this right to
5 withdraw and shall provide the inmate with a written
6 request form to facilitate the withdrawal. If the
7 inmate withdraws and the inmate's deposits exceed the
8 amount due as provided in section 906.9, the director
9 shall disburse the excess amount as provided for
10 allowances under section 904.702, except the director
11 shall not deposit the excess amount in the inmate
12 savings fund. If the inmate chooses to continue to
13 participate in the savings fund, the inmate's deposits
14 shall be returned to the inmate upon discharge,
15 parole, or placement on work release. Otherwise, the
16 inmate's deposits shall be disposed of as provided in
17 subsection 3. An inmate's deposits into the savings
18 fund may be used to provide the money due the inmate
19 upon discharge, parole, or placement on work release,
20 as required under section 906.9. Interest earned from
21 the savings fund shall be placed in a separate
22 account, and may be used for purchases approved by the
23 director to directly and collectively benefit inmates.
24 Sec. 68. Section 904.508A, Code 2003, is amended
25 to read as follows:

26 904.508A INMATE TELEPHONE REBATE FUND.

27 The department is authorized to establish and
28 maintain an inmate telephone ~~rebate fund in each~~
29 ~~institution~~ for the deposit of moneys received for
30 inmate telephone ~~rebates~~ calls. All funds deposited
31 in this fund shall be used for the benefit of inmates.
32 The director shall adopt rules providing for the
33 disbursement of moneys from the fund.

34 Sec. 69. Section 904.513, subsection 1, paragraph
35 b, subparagraph (4), Code 2003, is amended to read as
36 follows:

37 (4) Assignment may also be made on the basis of
38 the offender's treatment program performance, as a
39 disciplinary measure, for medical needs, and for space
40 availability at community residential facilities. If
41 there is insufficient space at a community residential
42 facility, the court may order an offender to be
43 released to the supervision of the judicial district
44 department of correctional services, ~~or held in jail,~~
45 or committed to the custody of the director of the
46 department of corrections for assignment to an
47 appropriate correctional facility until there is
48 sufficient space at a community residential facility.

49 Sec. 70. Section 904.702, unnumbered paragraph 1,
50 Code 2003, is amended to read as follows:

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1 If allowances are paid pursuant to section 904.701,
2 the director shall establish an inmate account, for
3 deposit of those allowances and for deposit of moneys
4 sent to the inmate from a source other than the
5 department of corrections. The director may deduct an
6 amount, not to exceed ten percent of the amount of the
7 allowance, unless the inmate requests a larger amount,
8 to be deposited into the inmate savings fund as
9 required under section 904.508, subsection 2. In
10 addition to deducting a portion of the allowance, the
11 director may also deduct from an inmate account any
12 amount, except amounts directed to be deposited in the
13 inmate telephone fund established in section 904.508A,
14 sent to the inmate from a source other than the
15 department of corrections for deposit in the inmate
16 savings fund as required under section 904.508,
17 subsection 2, until the amount in the fund equals the
18 amount due the inmate upon discharge, parole, or
19 placement on work release. The director shall deduct
20 from the inmate account an amount established by the
21 inmate's restitution plan of payment. The director
22 shall also deduct from any remaining account balance
23 an amount sufficient to pay all or part of any
24 judgment against the inmate, including but not limited
25 to judgments for taxes and child support, and court
26 costs and fees assessed either as a result of the
27 inmate's confinement or amounts required to be paid
28 under section 610A.1. Written notice of the amount of
29 the deduction shall be given to the inmate, who shall
30 have five days after receipt of the notice to submit
31 in writing any and all objections to the deduction to
32 the director, who shall consider the objections prior
33 to transmitting the deducted amount to the clerk of
34 the district court. The director need give only one
35 notice for each action or appeal under section 610A.1
36 for which periodic deductions are to be made. The
37 director shall next deduct from any remaining account
38 balance an amount sufficient to pay all or part of any
39 costs assessed against the inmate for misconduct or
40 damage to the property of others. The director may
41 deduct from the inmate's account an amount sufficient
42 to pay for the inmate's share of the costs of health
43 services requested by the inmate and for the treatment
44 of injuries inflicted by the inmate on the inmate or
45 others. The director may deduct and disburse an
46 amount sufficient for industries' programs to qualify
47 under the eligibility requirements established in the
48 Justice Assistance Act of 1984, Pub. L. No. 98-473,
49 including an amount to pay all or part of the cost of
50 the inmate's incarceration. The director may pay all

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1 or any part of remaining allowances paid pursuant to
2 section 904.701 directly to a dependent of the inmate,
3 or may deposit the allowance to the account of the
4 inmate, or may deposit a portion and allow the inmate
5 a portion for the inmate's personal use.

6 Sec. 71. Section 907.4, Code 2003, is amended to
7 read as follows:

8 907.4 DEFERRED JUDGMENT DOCKET.

9 a deferment of judgment under section 907.3 shall
10 be reported promptly by the clerk of the district
11 court, or the clerk's designee, to the state court
12 administrator for entry in the deferred judgment
13 docket. The docket shall contain a permanent record
14 of the deferred judgment including the name and date
15 of birth of the defendant, the district court docket
16 number, the nature of the offense, and the date of the
17 deferred judgment. Before granting deferred judgment
18 in any case, the court shall request of the state
19 court administrator a search of the deferred judgment
20 docket and shall consider any prior record of a
21 deferred judgment against the defendant. The
22 permanent record provided for in this section is a
23 confidential record exempted from public access under
24 section 22.7 and shall be available only to justices
25 of the supreme court, judges of the court of appeals,
26 district judges, district associate judges, judicial
27 magistrates, clerks of the district court, judicial
28 district departments of correctional services, and
29 county attorneys requesting information pursuant to
30 this section, or the designee of a justice, judge,
31 magistrate, clerk, judicial district department of
32 correctional services, or county attorney.

33 Sec. 72. Section 907.9, subsections 1, 2, and 4,
34 Code 2003, are amended to read as follows:

35 1. At any time that the court determines that the
36 purposes of probation have been fulfilled and the fees
37 imposed under section 905.14 have been paid ~~to or~~
38 ~~waived by the judicial district department of~~
39 ~~correctional services~~ or on condition that unpaid
40 supervision fees be paid, the court may order the
41 discharge of a person from probation.

42 2. At any time that a probation officer determines
43 that the purposes of probation have been fulfilled and
44 the fees imposed under section 905.14 have been paid
45 ~~to or waived by the judicial district department of~~
46 ~~correctional services~~ or on condition that unpaid
47 supervision fees be paid, the officer may order the
48 discharge of a person from probation after approval of
49 the district director and notification of the
50 sentencing court and the county attorney who

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1 prosecuted the case.

2 4. At the expiration of the period of probation
3 and if the fees imposed under section 905.14 have been
4 ~~paid to or waived by the judicial district department~~
5 ~~of correctional services or on condition that unpaid~~
6 supervision fees be paid, the court shall order the
7 discharge of the person from probation, and the court
8 shall forward to the governor a recommendation for or
9 against restoration of citizenship rights to that
10 person. A person who has been discharged from
11 probation shall no longer be held to answer for the
12 person's offense. Upon discharge from probation, if
13 judgment has been deferred under section 907.3, the
14 court's criminal record with reference to the deferred
15 judgment shall be expunged. The record maintained by
16 the state court administrator as required by section
17 907.4 shall not be expunged. The court's record shall
18 not be expunged in any other circumstances.

19 Sec. 73. NEW SECTION. 907B.4 INTERSTATE COMPACT
20 FEE.

21 The department of corrections may assess a fee, not
22 to exceed one hundred dollars, for an application to
23 transfer out of the state under the interstate compact
24 for adult offender supervision. The fee may be waived
25 by the department. The moneys collected pursuant to
26 this section shall be deposited into the interstate
27 compact fund established in section 904.117 and shall
28 be used to offset the costs of complying with the
29 interstate compact for adult offender supervision.

30 Sec. 74. Section 910.3B, Code 2003, is amended to
31 read as follows:

32 910.3B RESTITUTION FOR DEATH OF VICTIM.

33 1. In all criminal cases in which the offender is
34 convicted of a felony in which the act or acts
35 committed by the offender caused the death of another
36 person, in addition to the amount determined to be
37 payable and ordered to be paid to a victim for
38 pecuniary damages, as defined under section 910.1, and
39 determined under section 910.3, the court shall also
40 order the offender to pay at least one hundred fifty
41 thousand dollars in restitution to the victim's estate
42 if the victim died testate. If the victim died
43 intestate the court shall order the offender to pay
44 the restitution to the victim's heirs at law as
45 determined pursuant to section 633.210. The
46 obligation to pay the additional amount shall not be
47 dischargeable in any proceeding under the federal
48 Bankruptcy Act. Payment of the additional amount
49 shall have the same priority as payment of a victim's
50 pecuniary damages under section 910.2, in the

1 offender's plan for restitution.
 2 2. An award under this section does not preclude
 3 or supersede the right of a victim's estate or heirs
 4 at law to bring a civil action against the offender
 5 for damages arising out of the same facts or event.
 6 However, no evidence relating to the entry of the
 7 judgment against the offender pursuant to this section
 8 or the amount of the award ordered pursuant to this
 9 section shall be permitted to be introduced in any
 10 civil action for damages arising out of the same facts
 11 or event.
 12 3. An offender who is ordered to pay a victim's
 13 estate or heirs at law under this section is precluded
 14 from denying the elements of the felony offense which
 15 resulted in the order for payment in any subsequent
 16 civil action for damages arising out of the same facts
 17 or event.

18 Sec. 75. Section 915.100, subsection 2, paragraph
 19 c, Code 2003, is amended to read as follows:

20 c. In cases where the act committed by an offender
 21 causes the death of another person, in addition to the
 22 amount ordered for payment of the victim's pecuniary
 23 damages, the court shall also order the offender to
 24 pay at least one hundred fifty thousand dollars in
 25 restitution to the victim's estate or heirs at law,
 26 pursuant to the provisions of section 910.3B.

27 DIVISION VII

28 ECONOMIC DEVELOPMENT APPROPRIATIONS

29 Sec. 76. MARKETING APPROPRIATION.

30 1. There is appropriated from the grow Iowa fund
 31 created in section 15G.107, if enacted by 2003 Iowa
 32 Acts, House File 692 or another Act, to the department
 33 of economic development, for the fiscal period
 34 beginning July 1, 2004, and ending June 30, 2010, the
 35 following amounts, or so much thereof as is necessary,
 36 to be used for the purpose designated:

37 For implementing and administering the marketing
 38 strategy approved under section 15G.108, if enacted by
 39 2003 Iowa Acts, House File 692 or another Act:

40 FY 2004-2005	\$ 10,000,000
41 FY 2005-2006	\$ 10,000,000
42 FY 2006-2007	\$ 5,000,000
43 FY 2007-2008	\$ 5,000,000
44 FY 2008-2009	\$ 5,000,000
45 FY 2009-2010	\$ 2,500,000

46 2. Notwithstanding section 8.33, moneys that
 47 remain unexpended at the end of a fiscal year shall
 48 not revert to any fund but shall remain available for
 49 expenditure for the designated purposes during the
 50 succeeding fiscal year.

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1 Sec. 77. DEPARTMENT OF ECONOMIC DEVELOPMENT
2 APPROPRIATION.

3 1. There is appropriated from the grow Iowa fund
4 created in section 15G.107, if enacted by 2003 Iowa
5 Acts, House File 692 or another Act, to the department
6 of economic development for the fiscal period
7 beginning July 1, 2003, and ending June 30, 2010, the
8 following amounts, or so much thereof as is necessary,
9 to be used for the purpose designated:

10 For programs administered by the department of
11 economic development:

12 FY 2003-2004	\$ 41,575,000
13 FY 2004-2005	\$ 31,575,000
14 FY 2005-2006	\$ 35,000,000
15 FY 2006-2007	\$ 32,500,000
16 FY 2007-2008	\$ 30,500,000
17 FY 2008-2009	\$ 13,500,000
18 FY 2009-2010	\$ 13,500,000

19 2. Notwithstanding section 8.33, moneys that
20 remain unexpended at the end of a fiscal year shall
21 not revert to any fund but shall remain available for
22 expenditure for the designated purposes during the
23 succeeding fiscal year.

24 3. Each year that moneys are appropriated under
25 this section, the grow Iowa board shall allocate a
26 percentage of the moneys for each of the following
27 types of activities:

- 28 a. Business start-ups.
- 29 b. Business expansion.
- 30 c. Business modernization.
- 31 d. Business attraction.
- 32 e. Business retention.
- 33 f. Marketing.

34 4. An applicant for moneys appropriated under this
35 section shall be required by the department to include
36 in the application a statement regarding the intended
37 return on investment. A recipient of moneys
38 appropriated under this section shall annually submit
39 a statement to the department regarding the progress
40 achieved on the intended return on investment stated
41 in the application. The department, in cooperation
42 with the department of revenue and finance, shall
43 develop a method of identifying and tracking each new
44 job created through financial assistance from moneys
45 appropriated under this section.

46 5. The department may use moneys appropriated
47 under this section to procure technical assistance
48 from either the public or private sector, for
49 information technology purposes, and for rail, air, or
50 river port transportation-related purposes. The use

1 of moneys 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 6. Of the moneys appropriated under this section,
 7 the department may use one-quarter of one percent for
 8 administrative purposes.

9 7. The grow Iowa board is required to approve or
 10 deny applications for financial assistance from moneys
 11 appropriated under this section.

12 Sec. 78. UNIVERSITY AND COLLEGE FINANCIAL
 13 ASSISTANCE APPROPRIATION.

14 1. There is appropriated from the grow Iowa fund
 15 created in section 15G.107, if enacted by 2003 Iowa
 16 Acts, House File 692 or another Act, to the grow Iowa
 17 board for the fiscal period beginning July 1, 2003,
 18 and ending June 30, 2010, the following amounts, or so
 19 much thereof as is necessary, to be used for the
 20 purposes designated:

21 For financial assistance for institutions of higher
 22 learning under the control of the state board of
 23 regents and for accredited private institutions as
 24 defined in section 261.9 for multiuse, goods
 25 manufacturing processes approved by the food and drug
 26 administration of the United States department of
 27 health and human services, protein purification
 28 facilities for plant, animal, and chemical
 29 manufactured proteins; upgrading food and drug
 30 administration drug approval laboratories in Iowa City
 31 to a larger multiclient, goods manufacturing processes
 32 facility; crop and animal livestock facilities for the
 33 growing of transgenic crops and livestock; and
 34 advanced laboratory space:

35 FY 2003-2004	\$ 5,325,000
36 FY 2004-2005	\$ 5,325,000
37 FY 2005-2006	\$ 5,325,000
38 FY 2006-2007	\$ 5,325,000
39 FY 2007-2008	\$ 5,325,000
40 FY 2008-2009	\$ 5,325,000
41 FY 2009-2010	\$ 5,325,000

42 2. Notwithstanding section 8.33, moneys that
 43 remain unexpended at the end of a fiscal year shall
 44 not revert to any fund but shall remain available for
 45 expenditure for the designated purposes during the
 46 succeeding fiscal year.

47 3. In the distribution of moneys appropriated
 48 pursuant to this section, the grow Iowa board shall
 49 examine the potential for using moneys appropriated
 50 pursuant to this section to leverage other moneys for

1 financial assistance to accredited private
 2 institutions.
 3 4. In awarding moneys appropriated pursuant to
 4 this section, the grow Iowa board shall consider
 5 whether the purchase of suitable existing
 6 infrastructure is more cost-efficient than building
 7 new infrastructure.
 8 5. An institution of higher learning under the
 9 control of the state board of regents may apply to use
 10 financial assistance moneys under this section for
 11 purposes of a public and private joint venture to
 12 acquire infrastructure assets or research facilities
 13 or to leverage moneys in a manner consistent with
 14 meeting the goals and performance measures provided in
 15 section 15G.106, if enacted by 2003 Iowa Acts, House
 16 File 692 or another Act.

17 Sec. 79. REHABILITATION PROJECT TAX CREDITS
 18 APPROPRIATION.

19 1. There is appropriated from the grow Iowa fund
 20 created in section 15G.107, if enacted by 2003 Iowa
 21 Acts, House File 692 or another Act, to the general
 22 fund of the state, for the fiscal period beginning
 23 July 1, 2003, and ending June 30, 2010, the following
 24 amounts, or so much thereof as is necessary, to be
 25 used for the purpose designated:

26 For payment of tax credits approved pursuant to
 27 section 404A.4 for projects located in certified
 28 cultural and entertainment districts:

29 FY 2003-2004	\$ 700,000
30 FY 2004-2005	\$ 700,000
31 FY 2005-2006	\$ 700,000
32 FY 2006-2007	\$ 700,000
33 FY 2007-2008	\$ 700,000
34 FY 2008-2009	\$ 700,000
35 FY 2009-2010	\$ 700,000

36 2. Notwithstanding section 8.33, moneys that
 37 remain unexpended at the end of a fiscal year shall
 38 not revert to any fund but shall remain available for
 39 expenditure for the designated purposes during the
 40 succeeding fiscal year.

41 Sec. 80. LOAN AND CREDIT GUARANTEE FUND
 42 APPROPRIATION.

43 1. There is appropriated from the grow Iowa fund
 44 created in section 15G.107, if enacted by 2003 Iowa
 45 Acts, House File 692 or another Act, to the department
 46 of economic development for the fiscal period
 47 beginning July 1, 2003, and ending June 30, 2010, the
 48 following amounts, or so much thereof as is necessary,
 49 to be used for the purpose designated:

50 For deposit in the loan and credit guarantee fund

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1 created in section 15E.227:

2	FY 2003-2004	\$ 2,500,000
3	FY 2004-2005	\$ 7,500,000
4	FY 2005-2006	\$ 8,575,000
5	FY 2006-2007	\$ 11,075,000
6	FY 2007-2008	\$ 13,075,000
7	FY 2008-2009	\$ 35,075,000
8	FY 2009-2010	\$ 37,575,000

9 2. Notwithstanding section 8.33, moneys that
 10 remain unexpended at the end of a fiscal year shall
 11 not revert to any fund but shall remain available for
 12 expenditure for the designated purpose during the
 13 succeeding fiscal year.

14 Sec. 81. ENDOW IOWA TAX CREDITS.

15 1. There is appropriated from the grow Iowa fund
 16 created in section 15G.107, if enacted by 2003 Iowa
 17 Acts, House File 692 or another Act, to the general
 18 fund of the state, for the fiscal period beginning
 19 July 1, 2003, and ending June 30, 2010, the following
 20 amounts, or so much thereof as is necessary, to be
 21 used for the purpose designated:

22 For payment of endow Iowa tax credits authorized
 23 pursuant to section 15E.305:

24	FY 2003-2004	\$ 200,000
25	FY 2004-2005	\$ 200,000
26	FY 2005-2006	\$ 200,000
27	FY 2006-2007	\$ 200,000
28	FY 2007-2008	\$ 200,000
29	FY 2008-2009	\$ 200,000
30	FY 2009-2010	\$ 200,000

31 2. Notwithstanding section 8.33, moneys that
 32 remain unexpended at the end of a fiscal year shall
 33 not revert to any fund but shall remain available for
 34 expenditure for the designated purposes during the
 35 succeeding fiscal year.

36 Sec. 82. ENDOW IOWA GRANTS APPROPRIATION.

37 1. There is appropriated from the grow Iowa fund
 38 created in section 15G.107, if enacted by 2003 Iowa
 39 Acts, House File 692 or another Act, to the department
 40 of economic development for the fiscal period
 41 beginning July 1, 2003, and ending June 30, 2010, the
 42 following amounts, or so much thereof as is necessary,
 43 to be used for the purpose designated:

44 For endow Iowa grants to lead philanthropic
 45 entities pursuant to section 15E.304:

46	FY 2003-2004	\$ 200,000
47	FY 2004-2005	\$ 200,000
48	FY 2005-2006	\$ 200,000
49	FY 2006-2007	\$ 200,000
50	FY 2007-2008	\$ 200,000

1	FY 2008-2009	\$ 200,000
2	FY 2009-2010	\$ 200,000

3 2. Notwithstanding section 8.33, moneys that
 4 remain unexpended at the end of a fiscal year shall
 5 not revert to any fund but shall remain available for
 6 expenditure for the designated purposes during the
 7 succeeding fiscal year.

8 Sec. 83. ANTICIPATED FEDERAL MONEYS -
 9 APPROPRIATION.

10 1. There is appropriated from the fund created by
 11 section 8.41, for the fiscal period beginning July 1,
 12 2003, and ending June 30, 2005, the following amounts
 13 to be used for the purpose designated:

14 For deposit in the grow Iowa fund created in
 15 section 15G.107, if enacted by 2003 Iowa Acts, House
 16 File 692 or another Act:

17	FY 2003-2004	\$ 59,000,000
18	FY 2004-2005	\$ 41,000,000

19 2. Moneys appropriated in this section are moneys
 20 anticipated to be received from the federal government
 21 for state and local government fiscal relief under the
 22 federal Jobs and Growth Tax Relief Reconciliation Act
 23 of 2003 and shall be expended as provided in the
 24 federal law making the moneys available and in
 25 conformance with chapter 17A.

26 3. Notwithstanding section 8.33, moneys that
 27 remain unexpended at the end of a fiscal year shall
 28 not revert to any fund but shall remain available for
 29 expenditure for the designated purposes during the
 30 succeeding fiscal year.

31 Sec. 84. STREAMLINED SALES AND USE TAX REVENUE -
 32 APPROPRIATION.

33 1. There is appropriated from the general fund of
 34 the state from moneys credited to the general fund of
 35 the state as a result of entering into the streamlined
 36 sales and use tax agreement, for the fiscal period
 37 beginning July 1, 2003, and ending June 30, 2010, the
 38 following amounts to be used for the purpose
 39 designated:

40 For deposit in the grow Iowa fund created in
 41 section 15G.107, if enacted by 2003 Iowa Acts, House
 42 File 692 or another Act:

43	FY 2003-2004	\$ 5,000,000
44	FY 2004-2005	\$ 23,000,000
45	FY 2005-2006	\$ 75,000,000
46	FY 2006-2007	\$ 75,000,000
47	FY 2007-2008	\$ 75,000,000
48	FY 2008-2009	\$ 75,000,000
49	FY 2009-2010	\$ 75,000,000

50 2. For purposes of this section, "moneys credited

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1 to the general fund of the state as a result of
2 entering into the streamlined sales and use tax
3 agreement" means the amount of sales and use tax
4 receipts credited to the general fund of the state
5 during a fiscal year that exceeds by two percent or
6 more the total sales and use tax receipts credited to
7 the general fund of the state during the previous
8 fiscal year.

9 3. If the moneys credited to the general fund of
10 the state as a result of entering into the streamlined
11 sales and use tax agreement during a fiscal year total
12 less than the amount appropriated in this section, the
13 appropriation in this section shall be reduced to
14 equal the total amount of the moneys so credited.

15 4. 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 DIVISION VIII

21 WORKFORCE-RELATED ISSUES

22 Sec. 85. NEW SECTION. 260C.18a WORKFORCE
23 TRAINING AND ECONOMIC DEVELOPMENT FUNDS.

24 1. a. A workforce training and economic
25 development fund is created for each community
26 college. Moneys shall be deposited and expended from
27 a fund as provided under this section.

28 b. Moneys in the funds shall consist of any moneys
29 appropriated by the general assembly and any other
30 moneys available to and obtained or accepted by the
31 department of economic development from federal
32 sources or private sources for placement in the funds.
33 Notwithstanding section 8.33, moneys in the funds at
34 the end of each fiscal year shall not revert to any
35 other fund but shall remain in the funds for
36 expenditure in subsequent fiscal years.

37 2. On July 1 of each year for the fiscal year
38 beginning July 1, 2003, and for every fiscal year
39 thereafter, moneys from the grow Iowa fund created in
40 section 15G.107, if enacted by 2003 Iowa Acts, House
41 File 692 or another Act, are appropriated to the
42 department of economic development for deposit in the
43 workforce training and economic development funds in
44 amounts determined pursuant to subsection 3. Moneys
45 deposited in the funds and disbursed to community
46 colleges for a fiscal year shall be expended for the
47 following purposes:

48 a. Projects in which an agreement between a
49 community college and an employer located within the
50 community college's merged area meet all of the

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1 requirements of the accelerated career education
2 program under chapter 260G. However, moneys used by
3 the community colleges from the workforce training and
4 economic development fund for these projects shall be
5 in lieu of the program job credits provided under
6 chapter 260G. Projects using moneys from the
7 workforce training and economic development fund under
8 this paragraph shall be in accordance with rules
9 adopted by the department of economic development
10 under chapter 260G.

11 b. Projects in which an agreement between a
12 community college and a business meet all the
13 requirements of the Iowa jobs training Act under
14 chapter 260F. However, when moneys are provided
15 through the grow Iowa fund for such projects, section
16 260F.6, subsections 1 and 2, and section 260F.8 shall
17 not apply. Projects using moneys from the workforce
18 training and economic development fund under this
19 paragraph shall be in accordance with rules adopted by
20 the department of economic development under chapter
21 260F.

22 c. For the development and implementation of
23 career academies designed to provide new career
24 preparation opportunities for high school students
25 that are formally linked with postsecondary career and
26 technical education programs. Moneys from workforce
27 training and economic development funds that are
28 expended for purposes of this paragraph shall be in
29 accordance with the plan submitted to the department
30 of economic development and the grow Iowa board under
31 section 5. For purposes of this section, "career
32 academy" means a program of study that combines a
33 minimum of two years of secondary education with an
34 associate degree, or the equivalent, career
35 preparatory program in a nonduplicative, sequential
36 course of study that is standards based, integrates
37 academic and technical instruction, utilizes work-
38 based and worksite learning where appropriate and
39 available, utilizes an individual career planning
40 process with parent involvement, and leads to an
41 associate degree or postsecondary diploma or
42 certificate in a career field that prepares an
43 individual for entry and advancement in a high-skill
44 and reward career field and further education. The
45 state board of education, in conjunction with the
46 division of community colleges and workforce
47 preparation of the department of education, and in
48 consultation with the department of economic
49 development, shall adopt administrative rules for the
50 development and implementation of such career

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1 academies pursuant to section 256.11, subsection 5,
2 paragraph "h", section 260C.1, and Title II of Pub. L.
3 No. 105-332, Carl D. Perkins Vocational and Technical
4 Education Act of 1998.

5 d. Programs and courses that provide vocational
6 and technical training, and programs for in-service
7 training and retraining under section 260C.1,
8 subsections 2 and 3.

9 3. Moneys from the workforce training and economic
10 development fund that are expended for purposes of
11 this subsection shall be in accordance with the plan
12 submitted to the department of economic development
13 and the grow Iowa board under subsection 5. The
14 maximum cumulative total amount of moneys that may be
15 deposited in all the workforce training and economic
16 development funds for distribution to community
17 colleges in a fiscal year shall be determined as
18 follows:

19 a. Six million dollars for the fiscal year
20 beginning July 1, 2003.

21 b. Eleven million dollars for the fiscal year
22 beginning July 1, 2004.

23 c. Twenty million dollars for the fiscal year
24 beginning July 1, 2005.

25 d. Twenty million dollars for the fiscal year
26 beginning July 1, 2006.

27 e. Twenty million dollars for the fiscal year
28 beginning July 1, 2007.

29 f. Fifteen million dollars for the fiscal year
30 beginning July 1, 2008.

31 g. Fifteen million dollars for the fiscal year
32 beginning July 1, 2009.

33 4. The department of economic development shall
34 allocate the moneys appropriated pursuant to this
35 section to the community college workforce training
36 and economic development funds utilizing the same
37 distribution formula used for the allocation of state
38 general aid to the community colleges.

39 5. Each community college shall do all of the
40 following:

41 a. Adopt a two-year workforce training and
42 economic development fund plan outlining the community
43 college's proposed use of moneys appropriated under
44 subsection 2.

45 b. Update the two-year plan annually.

46 c. Prepare an annual progress report on the two-
47 year plan's implementation.

48 d. Annually submit the two-year plan and progress
49 report to the department of economic development in a
50 manner prescribed by rules adopted by the department

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1 pursuant to chapter 17a and annually file a copy of
2 the plan and progress report with the grow Iowa board.
3 6. Any individual project using over one million
4 dollars of moneys from a workforce training and
5 economic development fund shall require prior approval
6 from the grow Iowa board.

7 Sec. 86. NEW SECTION. 260F.9 JOB RETENTION
8 PROGRAM AND FUND.

9 1. A job retention fund is created in the state
10 treasury under the control of the department of
11 economic development to encourage the retention of
12 existing jobs and income that would otherwise be lost
13 and encourage large businesses to remain in the state.
14 Moneys shall be deposited and expended from the fund
15 as provided in this section.

16 2. There is appropriated from the grow Iowa fund
17 created in section 15G.107, if enacted by 2003 Iowa
18 Acts, House File 692 or another Act, to the department
19 of economic development for the fiscal period
20 beginning July 1, 2003, and ending June 30, 2006, the
21 following amounts to be used for funding of job
22 retention programs and agreements authorized by the
23 department and participating community colleges as
24 provided in this section:

25 a. One million dollars for the fiscal year
26 beginning July 1, 2003.

27 b. One million dollars for the fiscal year
28 beginning July 1, 2004.

29 c. One million dollars for the fiscal year
30 beginning July 1, 2005.

31 3. Notwithstanding section 8.33, moneys that
32 remain unexpended at the end of a fiscal year shall
33 not revert to any fund but shall remain available for
34 expenditure for the designated purposes during the
35 succeeding fiscal year.

36 4. The department of economic development shall
37 administer the allocation of moneys in the job
38 retention fund and shall administer the job retention
39 program. The department shall adopt rules pursuant to
40 chapter 17a necessary for the administration of this
41 section. By January 15 of each year, the department
42 shall submit a written report to the general assembly
43 and the governor regarding the activities of the job
44 retention program during the previous calendar year.

45 5. A community college and the department may
46 enter into an agreement to establish a job retention
47 project. A job retention project agreement shall
48 include, but not be limited to, the following:

49 a. The date of the agreement.

50 b. The anticipated number of employees to be

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1 trained.

2 c. The estimated cost of training.

3 d. A statement regarding the number of employees
4 employed by the participating business on the date of
5 the agreement which must equal at least the lesser of
6 one thousand employees or four percent or more of the
7 county's resident labor force based on the most recent
8 annual labor force statistics from the department of
9 workforce development.

10 e. A commitment that the participating business
11 shall invest at least fifteen million dollars to
12 retool the workplace and upgrade the facilities of the
13 participating business.

14 f. A commitment that the participating business
15 shall not move the business operation out of this
16 state or close the business operation for at least ten
17 years following the date of the agreement.

18 g. Other criteria established by the department of
19 economic development.

20 6. A job retention project agreement entered into
21 pursuant to this section must be approved by the board
22 of trustees of the applicable community college, the
23 department of economic development, and the
24 participating business.

25 Sec. 87. NEW SECTION. 260F.101 REPORTING.

26 a community college entering into an agreement
27 pursuant to this chapter shall submit an annual
28 written report by the end of each calendar year with
29 the grow Iowa board created in section 15G.102, if
30 enacted by 2003 Iowa Acts, House File 692 or another
31 Act. The report shall provide information regarding
32 how the agreement affects the achievement of the goals
33 and performance measures provided in section 15G.106,
34 if enacted by 2003 Iowa Acts, House File 692 or
35 another Act.

36 Sec. 88. Section 260G.3, subsection 2, Code 2003,
37 is amended to read as follows:

38 2. An agreement may include reasonable and
39 necessary provisions to implement the accelerated
40 career education program. If an agreement that
41 utilizes program job credits is entered into, the
42 community college and the employer shall notify the
43 department of revenue and finance as soon as possible.
44 The community college shall also file a copy of the
45 agreement with the department of economic development
46 as required in section 260G.4B. The agreement shall
47 provide for program costs, including deferred costs,
48 which may be paid from any of the following sources:

49 a. Program job credits which the employer receives
50 based on the number of program job positions agreed to

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- 1 by the employer to be available under the agreement.
2 b. Cash or in-kind contributions by the employer
3 toward the program cost. At a minimum, the employer
4 contribution shall be twenty percent of the program
5 costs.
6 c. Tuition, student fees, or special charges fixed
7 by the board of directors to defray program costs.
8 d. Guarantee by the employer of payments to be
9 received under paragraphs "a" and "b".
10 e. Moneys from a workforce training and economic
11 development fund created in section 260C.18A, based on
12 the number of program job positions agreed to by the
13 employer to be available under the agreement, the
14 amount of which shall be calculated in the same manner
15 as the program job credits provided for in section
16 260G.4A.
17 Sec. 89. NEW SECTION. 260G.101 REPORTING.
18 a community college entering into an agreement
19 pursuant to this chapter shall submit an annual
20 written report by the end of each calendar year with
21 the grow Iowa board created in section 15G.102, if
22 enacted by 2003 Iowa Acts, House File 692 or another
23 Act. The report shall provide information regarding
24 how the agreement affects the achievement of the goals
25 and performance measures provided in section 15G.106,
26 if enacted by 2003 Iowa Acts, House File 692 or
27 another Act.

DIVISION IX

LOAN AND CREDIT GUARANTEE FUND

29 Sec. 90. NEW SECTION. 15E.227 LOAN AND CREDIT
30 GUARANTEE FUND.
31

- 32 1. A loan and credit guarantee fund is created and
33 established as a separate and distinct fund in the
34 state treasury. Moneys in the fund shall only be used
35 for purposes provided in this section. The moneys in
36 the fund are appropriated to the department to be used
37 for all of the following purposes:
38 a. Payment of claims pursuant to loan and credit
39 guarantee agreements entered into under this division.
40 b. Payment of administrative costs of the
41 department for actual and necessary administrative
42 expenses incurred by the department in administering
43 the program.
44 c. Purchase or buyout of superior or prior liens,
45 mortgages, or security interests.
46 2. Moneys in the loan and credit guarantee fund
47 shall consist of all of the following:
48 a. Moneys appropriated by the general assembly for
49 that purpose and any other moneys available to and
50 obtained or accepted by the department for placement

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1 in the fund.

2 b. Proceeds from collateral assigned to the
3 department, fees for guarantees, gifts, and moneys
4 from any grant made to the fund by any federal agency.

5 c. Moneys appropriated from the grow Iowa fund
6 created in section 15G.107, if enacted by 2003 Iowa
7 Acts, House File 692 or another Act.

8 3. Moneys in the fund are not subject to section
9 8.33. Notwithstanding section 12C.7, interest or
10 earnings on the moneys in the fund shall be credited
11 to the fund.

12 4. a. The department shall only pledge moneys in
13 the loan and credit guarantee fund and not any other
14 moneys of the department. The department may pledge
15 an amount not to exceed a total of any of the
16 following amounts of moneys in the fund to assure the
17 repayment of loan and credit guarantees or other
18 extensions of credit made to or on behalf of qualified
19 businesses or targeted industry businesses for
20 eligible project costs.

21 (1) Two million five hundred thousand dollars for
22 the fiscal year beginning July 1, 2003.

23 (2) Seven million five hundred thousand dollars
24 for the fiscal year beginning July 1, 2004.

25 (3) Eight million five hundred seventy-five
26 thousand dollars for the fiscal year beginning July 1,
27 2005.

28 (4) Eleven million seventy-five thousand dollars
29 for the fiscal year beginning July 1, 2006.

30 (5) Thirteen million seventy-five thousand dollars
31 for the fiscal year beginning July 1, 2007.

32 (6) Thirty-five million seventy-five thousand
33 dollars for the fiscal year beginning July 1, 2008.

34 (7) Thirty-seven million five hundred seventy-five
35 thousand dollars for the fiscal year beginning July 1,
36 2009.

37 b. The department shall not pledge the credit or
38 taxing power of this state or any political
39 subdivision of this state or make debts payable out of
40 any moneys except for those in the loan and credit
41 guarantee fund.

42 DIVISION X

43 UNIVERSITY-BASED RESEARCH UTILIZATION 44 PROGRAM APPROPRIATION

45 Sec. 91. NEW SECTION. 262B.12 APPROPRIATION.

46 On July 1 of each year there is appropriated from
47 the general fund of the state to each university under
48 the control of the state board of regents, an amount
49 equal to the amount determined by the department of
50 economic development pursuant to section 262B.11,

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1 subsection 4, paragraph "c", subparagraph (2), if
2 enacted by 2003 Iowa Acts, House File 692 or another
3 Act.

DIVISION XI

ENDOW IOWa TAX CREDIT

5
6 Sec. 92. NEW SECTION. 15E.305 ENDOW IOWA TAX
7 CREDIT.

8 1. For tax years beginning on or after January 1,
9 2003, a tax credit shall be allowed against the taxes
10 imposed in chapter 422, divisions II, III, and V, and
11 in chapter 432, and against the moneys and credits tax-
12 imposed in section 533.24 equal to twenty percent of a
13 taxpayer's endowment gift to a qualified community
14 foundation. An individual may claim a tax credit
15 under this section of a partnership, limited liability
16 company, S corporation, estate, or trust electing to
17 have income taxed directly to the individual. The
18 amount claimed by the individual shall be based upon
19 the pro rata share of the individual's earnings from
20 the partnership, limited liability company, S
21 corporation, estate, or trust. A tax credit shall be
22 allowed only for an endowment gift made to a qualified
23 community foundation for a permanent endowment fund
24 established to benefit a charitable cause in this
25 state. Any tax credit in excess of the taxpayer's tax
26 liability for the tax year may be credited to the tax
27 liability for the following five years or until
28 depleted, whichever occurs first. A tax credit shall
29 not be carried back to a tax year prior to the tax
30 year in which the taxpayer claims the tax credit.

31 2. The aggregate amount of tax credits authorized
32 pursuant to this section shall not exceed a total of
33 two million dollars. The maximum amount of tax
34 credits granted to a taxpayer shall not exceed five
35 percent of the aggregate amount of tax credits
36 authorized.

37 3. A tax credit shall not be transferable to any
38 other taxpayer.

39 4. A tax credit shall not be authorized pursuant
40 to this section after December 31, 2005.

41 5. The department shall develop a system for
42 registration and authorization of tax credits under
43 this section and shall control the distribution of all
44 tax credits to taxpayers providing an endowment gift
45 subject to this section. The department shall adopt
46 administrative rules pursuant to chapter 17a for the
47 qualification and administration of endowment gifts.

48 Sec. 93. NEW SECTION. 422.11H ENDOW IOWA TAX
49 CREDIT.

50 The tax imposed under this division, less the

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1 credits allowed under sections 422.12 and 422.12B,
2 shall be reduced by an endow Iowa tax credit
3 authorized pursuant to section 15E.305.

4 Sec. 94. Section 422.33, Code 2003, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 14. The taxes imposed under this
7 division shall be reduced by an endow Iowa tax credit
8 authorized pursuant to section 15E.305.

9 Sec. 95. Section 422.60, Code 2003, is amended by
10 adding the following new subsection:

11 NEW SUBSECTION. 7. The taxes imposed under this
12 division shall be reduced by an endow Iowa tax credit
13 authorized pursuant to section 15E.305.

14 Sec. 96. NEW SECTION. 432.12D ENDOW IOWA TAX
15 CREDIT.

16 The tax imposed under this chapter shall be reduced
17 by an endow Iowa tax credit authorized pursuant to
18 section 15E.305.

19 Sec. 97. Section 533.24, Code 2003, is amended by
20 adding the following new unnumbered paragraph:

21 NEW UNNUMBERED PARAGRAPH. The moneys and credits
22 tax imposed under this section shall be reduced by an
23 endow Iowa tax credit authorized pursuant to section
24 15E.305.

25 Sec. 98. EFFECTIVE AND RETROACTIVE APPLICABILITY
26 DATES. This division of this Act, being deemed of
27 immediate importance, takes effect upon enactment and
28 is retroactively applicable to January 1, 2003, for
29 tax years beginning on or after that date.

30 DIVISION XII

31 REHABILITATION PROJECT TAX CREDITS

32 Sec. 99. Section 404A.4, subsection 4, Code 2003,
33 is amended to read as follows:

34 4. The total amount of tax credits that may be
35 approved for a fiscal year under this chapter shall
36 not exceed two million four hundred thousand dollars.
37 For the fiscal years beginning July 1, 2003, and July
38 1, 2004, an additional two million dollars of tax
39 credits may be approved each fiscal year for purposes
40 of projects located in cultural and entertainment
41 districts certified pursuant to section 303.3B, if
42 enacted by 2003 Iowa Acts, House File 692 or another
43 Act. Any of the additional tax credits allocated for
44 projects located in certified cultural and
45 entertainment districts that are not approved during a
46 fiscal year may be carried over to the succeeding
47 fiscal year. Tax credit certificates shall be issued
48 on the basis of the earliest awarding of
49 certifications of completion as provided in subsection .
50 1. The departments of economic development and

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1 revenue and finance shall each adopt rules to jointly
2 administer this subsection and shall provide by rule
3 for the method to be used to determine for which
4 fiscal year the tax credits are approved.

5 DIVISION XIII

6 STATE ASSISTANCE FOR EDUCATIONAL INFRASTRUCTURE FUND

7 Sec. 100. Section 8.57, subsection 5, Code 2003,
8 is amended by adding the following new paragraph:

9 NEW PARAGRAPH. f. There is appropriated from the
10 rebuild Iowa infrastructure fund to the state
11 assistance for educational infrastructure fund created
12 in 2003 Iowa Acts, House File 692 or another Act, for
13 each fiscal year of the fiscal period beginning July
14 1, 2004, and ending June 30, 2014, the amount of the
15 moneys in excess of the first forty-seven million
16 dollars credited to the rebuild Iowa infrastructure
17 fund during the fiscal year, not to exceed ten million
18 dollars.

19 Sec. 101. NEW SECTION. 292A.3A APPROPRIATION.

20 There is appropriated from the general fund of the
21 state from moneys credited to the general fund of the
22 state as a result of the state entering into the
23 streamlined sales and use tax agreement to the state
24 assistance for educational infrastructure fund created
25 in 2003 Iowa Acts, House File 692 or another Act, the
26 sum of five million dollars for each fiscal year of
27 the fiscal period beginning July 1, 2004, and ending
28 June 30, 2014. The appropriation in this section
29 shall be made after the appropriation from the same
30 source to the grow Iowa fund created in 2003 Iowa
31 Acts, House File 692 or another Act. For purposes of
32 this section, "moneys credited to the general fund of
33 the state as a result of entering into the streamlined
34 sales and use tax agreement" means the amount of sales
35 and use tax receipts credited to the general fund of
36 the state during a fiscal year that exceeds by two
37 percent or more the total sales and use tax receipts
38 credited to the general fund of the state during the
39 previous fiscal year.

40 DIVISION XIV

41 REPEALS

42 Sec. 102. The divisions of this Act designated
43 economic development appropriations, workforce-related
44 issues, loan and credit guarantee fund, university-
45 based research utilization program appropriation,
46 endow Iowa tax credit, and rehabilitation project tax
47 credits are repealed effective June 30, 2010.

48 DIVISION XV

49 STREAMLINED SALES AND USE TAXES

50 SUBCHAPTER I

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DEFINITIONS

- 1
2 Sec. 103. NEW SECTION. 423.1 DEFINITIONS.
3 As used in this chapter the following words, terms,
4 and phrases have the meanings ascribed to them by this
5 section, except where the context clearly indicates
6 that a different meaning is intended:
- 7 1. "Agent" means a person appointed by a seller to
8 represent the seller before the member states.
 - 9 2. "Agreement" means the streamlined sales and use
10 tax agreement authorized by subchapter IV of this
11 chapter to provide a mechanism for establishing and
12 maintaining a cooperative, simplified system for the
13 application and administration of sales and use taxes.
 - 14 3. "Agricultural production" includes the
15 production of flowering, ornamental, or vegetable
16 plants in commercial greenhouses or otherwise, and
17 production from aquaculture. "Agricultural products"
18 includes flowering, ornamental, or vegetable plants
19 and those products of aquaculture.
 - 20 4. "Business" includes any activity engaged in by
21 any person or caused to be engaged in by the person
22 with the object of gain, benefit, or advantage, either
23 direct or indirect.
 - 24 5. "Certificate of title" means a certificate of
25 title issued for a vehicle or for manufactured housing
26 under chapter 321.
 - 27 6. "Certified automated system" means software
28 certified under the agreement to calculate the tax
29 imposed by each jurisdiction on a transaction,
30 determine the amount of tax to remit to the
31 appropriate state, and maintain a record of the
32 transaction.
 - 33 7. "Certified service provider" means an agent
34 certified under the agreement to perform all of a
35 seller's sales or use tax functions, other than the
36 seller's obligation to remit tax on its own purchases.
 - 37 8. "Computer" means an electronic device that
38 accepts information in digital or similar form and
39 manipulates the information for a result based on a
40 sequence of instructions.
 - 41 9. "Computer software" means a set of coded
42 instructions designed to cause a computer or automatic
43 data processing equipment to perform a task.
 - 44 10. "Delivered electronically" means delivered to
45 the purchaser by means other than tangible storage
46 media.
 - 47 11. "Delivery charges" means charges assessed by a
48 seller of personal property or services for
49 preparation and delivery to a location designated by
50 the purchaser of personal property or services

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- 1 including, but not limited to, transportation,
2 shipping, postage, handling, crating, and packing
3 charges.
- 4 12. "Department" means the department of revenue
5 and finance.
- 6 13. "Direct mail" means printed material delivered
7 or distributed by United States mail or other delivery
8 service to a mass audience or to addressees on a
9 mailing list provided by the purchaser or at the
10 direction of the purchaser when the cost of the items
11 is not billed directly to the recipients. "Direct
12 mail" includes tangible personal property supplied
13 directly or indirectly by the purchaser to the direct
14 mail seller for inclusion in the package containing
15 the printed material. "Direct mail" does not include
16 multiple items of printed material delivered to a
17 single address.
- 18 14. "Director" means the director of revenue and
19 finance.
- 20 15. "Electronic" means relating to technology
21 having electrical, digital, magnetic, wireless,
22 optical, electromagnetic, or similar capabilities.
- 23 16. "Farm deer" means the same as defined in
24 section 189A.2.
- 25 17. "Farm machinery and equipment" means machinery
26 and equipment used in agricultural production.
- 27 18. "First use of a service". A "first use of a
28 service" occurs, for the purposes of this chapter,
29 when a service is rendered, furnished, or performed in
30 Iowa or if rendered, furnished, or performed outside
31 of Iowa, when the product or result of the service is
32 used in Iowa.
- 33 19. "Goods, wares, or merchandise" means the same
34 as tangible personal property.
- 35 20. "Governing board" means the group comprised of
36 representatives of the member states of the agreement
37 which is created by the agreement to be responsible
38 for the agreement's administration and operation.
- 39 21. "Installed purchase price" is the amount
40 charged, valued in money whether paid in money or
41 otherwise, by a building contractor to convert
42 manufactured housing from tangible personal property
43 into realty. "Installed purchase price" includes, but
44 is not limited to, amounts charged for installing a
45 foundation and electrical and plumbing hookups.
46 "Installed purchase price" excludes any amount charged
47 for landscaping in connection with the conversion.
- 48 22. "Lease or rental".
- 49 a. "Lease or rental" means any transfer of
50 possession or control of tangible personal property

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1 for a fixed or indeterminate term for consideration.
2 a "lease or rental" may include future options to
3 purchase or extend.

4 b. "Lease or rental" includes agreements covering
5 motor vehicles and trailers when the amount of
6 consideration may be increased or decreased by
7 reference to the amount realized upon sale or
8 disposition of the property as defined in 26 U.S.C. §
9 7701(h)(1).

10 c. "Lease or rental" does not include any of the
11 following:

12 (1) a transfer of possession or control of
13 property under a security agreement or deferred
14 payment plan that requires the transfer of title upon
15 completion of the required payments.

16 (2) a transfer of possession or control of
17 property under an agreement that requires the transfer
18 of title upon completion of required payments, and
19 payment of any option price does not exceed the
20 greater of one hundred dollars or one percent of the
21 total required payments.

22 (3) Providing tangible personal property along
23 with an operator for a fixed or indeterminate period
24 of time. A condition of this exclusion is that the
25 operator is necessary for the equipment to perform as
26 designed. For the purpose of this subparagraph, an
27 operator must do more than maintain, inspect, or set
28 up the tangible personal property.

29 d. This definition shall be used for sales and use
30 tax purposes regardless of whether a transaction is
31 characterized as a lease or rental under generally
32 accepted accounting principles, the Internal Revenue
33 Code, the Uniform Commercial Code, or other provisions
34 of federal, state, or local law.

35 23. "Livestock" includes but is not limited to an
36 animal classified as an ostrich, rhea, emu, bison, or
37 farm deer.

38 24. "Manufactured housing" means "manufactured
39 home" as defined in section 321.1.

40 25. "Member state" is any state which has signed
41 the agreement.

42 26. "Mobile home" means "manufactured or mobile
43 home" as defined in section 321.1.

44 27. "Model 1 seller" is a seller that has selected
45 a certified service provider as its agent to perform
46 all the seller's sales and use tax functions, other
47 than the seller's obligation to remit tax on its own
48 purchases.

49 28. "Model 2 seller" is a seller that has selected
50 a certified automated system to perform part of its

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1 sales and use tax functions, but retains
2 responsibility for remitting the tax.

3 29. "Model 3 seller" is a seller that has sales in
4 at least five member states, has total annual sales
5 revenue of at least five hundred million dollars, has
6 a proprietary system that calculates the amount of tax
7 due each jurisdiction, and has entered into a
8 performance agreement with the member states that
9 establishes a tax performance standard for the seller.

10 As used in this definition, a "seller" includes an
11 affiliated group of sellers using the same proprietary
12 system.

13 30. "Nonresidential commercial operations" means
14 industrial, commercial, mining, or agricultural
15 operations, whether for profit or not, but does not
16 include apartment complexes or mobile home parks.

17 31. "Not registered under the agreement" means
18 lack of registration by a seller with the member
19 states under the central registration system
20 referenced in section 423.11, subsection 4.

21 32. "Person" means an individual, trust, estate,
22 fiduciary, partnership, limited liability company,
23 limited liability partnership, corporation, or any
24 other legal entity.

25 33. "Place of business" means any warehouse,
26 store, place, office, building, or structure where
27 goods, wares, or merchandise are offered for sale at
28 retail or where any taxable amusement is conducted, or
29 each office where gas, water, heat, communication, or
30 electric services are offered for sale at retail.

31 When a retailer or amusement operator sells
32 merchandise by means of vending machines or operates
33 music or amusement devices by coin-operated machines
34 at more than one location within the state, the
35 office, building, or place where the books, papers,
36 and records of the taxpayer are kept shall be deemed
37 to be the taxpayer's place of business.

38 34. "Prewritten computer software" includes
39 software designed and developed by the author or other
40 creator to the specifications of a specific purchaser
41 when it is sold to a person other than the purchaser.
42 The combining of two or more prewritten computer
43 software programs or prewritten portions of prewritten
44 programs does not cause the combination to be other
45 than prewritten computer software. "Prewritten
46 computer software" also means computer software,
47 including prewritten upgrades, which is not designed
48 and developed by the author or other creator to the
49 specifications of a specific purchaser.

50 When a person modifies or enhances computer

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1 software of which the person is not the author or
2 creator, the person shall be deemed to be the author
3 or creator only of such person's modifications or
4 enhancements. Prewritten computer software or a
5 prewritten portion of the prewritten software that is
6 modified or enhanced to any degree, when such
7 modification or enhancement is designed and developed
8 to the specifications of a specific purchaser, remains
9 prewritten computer software. However, when there is
10 a reasonable, separately stated charge or an invoice
11 or other statement of the price given to the purchaser
12 for such modification or enhancement, such
13 modification or enhancement shall not constitute
14 prewritten computer software.

15 35. "Property purchased for resale in connection
16 with the performance of a service" means property
17 which is purchased for resale in connection with the
18 rendition, furnishing, or performance of a service by
19 a person who renders, furnishes, or performs the
20 service if all of the following occur:

21 a. The provider and user of the service intend
22 that a sale of the property will occur.

23 b. The property is transferred to the user of the
24 service in connection with the performance of the
25 service in a form or quantity capable of a fixed or
26 definite price value.

27 c. The sale is evidenced by a separate charge for
28 the identifiable piece of property.

29 36. "Purchase" means any transfer, exchange, or
30 barter, conditional or otherwise, in any manner or by
31 any means whatsoever, for a consideration.

32 37. "Purchase price" means the same as "sales
33 price" as defined in this section.

34 38. "Purchaser" is a person to whom a sale of
35 personal property is made or to whom a service is
36 furnished.

37 39. "Receive" and "receipt" mean any of the
38 following:

39 a. Taking possession of tangible personal
40 property.

41 b. Making first use of a service.

42 c. Taking possession or making first use of
43 digital goods, whichever comes first.

44 "Receive" and "receipt" do not include possession
45 by a shipping company on behalf of a purchaser.

46 40. "Registered under the agreement" means
47 registration by a seller under the central
48 registration system referenced in section 423.11,
49 subsection 4.

50 41. "Relief agency" means the state, any county,

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- 1 city and county, city, or district thereof, or any
2 agency engaged in actual relief work.
- 3 42. "Retailer" means and includes every person
4 engaged in the business of selling tangible personal
5 property or taxable services at retail, or the
6 furnishing of gas, electricity, water, or
7 communication service, and tickets or admissions to
8 places of amusement and athletic events or operating
9 amusement devices or other forms of commercial
10 amusement from which revenues are derived. However,
11 when in the opinion of the director it is necessary
12 for the efficient administration of this chapter to
13 regard any salespersons, representatives, truckers,
14 peddlers, or canvassers as agents of the dealers,
15 distributors, supervisors, employers, or persons under
16 whom they operate or from whom they obtain tangible
17 personal property sold by them irrespective of whether
18 or not they are making sales on their own behalf or on
19 behalf of such dealers, distributors, supervisors,
20 employers, or persons, the director may so regard
21 them, and may regard such dealers, distributors,
22 supervisors, employers, or persons as retailers for
23 the purposes of this chapter. "Retailer" includes a
24 seller obligated to collect sales or use tax.
- 25 43. "Retailer maintaining a place of business in
26 this state" or any like term includes any retailer
27 having or maintaining within this state, directly or
28 by a subsidiary, an office, distribution house, sales
29 house, warehouse, or other place of business, or any
30 representative operating within this state under the
31 authority of the retailer or its subsidiary,
32 irrespective of whether that place of business or
33 representative is located here permanently or
34 temporarily, or whether the retailer or subsidiary is
35 admitted to do business within this state pursuant to
36 chapter 490.
- 37 44. "Retailers who are not model sellers" means
38 all retailers other than model 1, model 2, or model 3
39 sellers.
- 40 45. "Retail sale" or "sale at retail" means any
41 sale, lease, or rental for any purpose other than
42 resale, sublease, or subrent.
- 43 46. "Sales" or "sale" means any transfer,
44 exchange, or barter, conditional or otherwise, in any
45 manner or by any means whatsoever, for consideration.
- 46 47. "Sales price" applies to the measure subject
47 to sales tax.
- 48 a. "Sales price" means the total amount of
49 consideration, including cash, credit, property, and
50 services, for which personal property or services are

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1 sold, leased, or rented, valued in money, whether
2 received in money or otherwise, without any deduction
3 for any of the following:

4 (1) The seller's cost of the property sold.

5 (2) The cost of materials used, labor or service
6 cost, interest, losses, all costs of transportation to
7 the seller, all taxes imposed on the seller, and any
8 other expenses of the seller.

9 (3) Charges by the seller for any services
10 necessary to complete the sale, other than delivery
11 and installation charges.

12 (4) Delivery charges.

13 (5) Installation charges.

14 (6) The value of exempt personal property given to
15 the purchaser where taxable and exempt personal
16 property have been bundled together and sold by the
17 seller as a single product or piece of merchandise.

18 (7) Credit for any trade-in authorized by section
19 423.3, subsection 58.

20 b. "Sales price" does not include:

21 (1) Discounts, including cash, term, or coupons
22 that are not reimbursed by a third party that are
23 allowed by a seller and taken by a purchaser on a
24 sale.

25 (2) Interest, financing, and carrying charges from
26 credit extended on the sale of personal property or
27 services, if the amount is separately stated on the
28 invoice, bill of sale, or similar document given to
29 the purchaser.

30 (3) Any taxes legally imposed directly on the
31 consumer that are separately stated on the invoice,
32 bill of sale, or similar document given to the
33 purchaser.

34 (4) The amounts received for charges included in
35 paragraph "a", subparagraphs (3) through (7), if they
36 are separately contracted for and separately stated on
37 the invoice, billing, or similar document given to the
38 purchaser.

39 48. "Sales tax" means the tax levied under
40 subchapter II of this chapter.

41 49. "Seller" means any person making sales,
42 leases, or rentals of personal property or services.

43 50. "Services" means all acts or services
44 rendered, furnished, or performed, other than services
45 used in processing of tangible personal property for
46 use in retail sales or services, for an employer, as
47 defined in section 422.4, subsection 3, for a valuable
48 consideration by any person engaged in any business or
49 occupation specifically enumerated in section 423.2.
50 The tax shall be due and collectible when the service

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1 is rendered, furnished, or performed for the ultimate
2 user of the service.

3 51. "Services used in the processing of tangible
4 personal property" includes the reconditioning or
5 repairing of tangible personal property of the type
6 normally sold in the regular course of the retailer's
7 business and which is held for sale.

8 52. "State" means any state of the United States
9 and the District of Columbia.

10 53. "System" means the central electronic
11 registration system maintained by Iowa and other
12 states which are signatories to the agreement.

13 54. "Tangible personal property" means personal
14 property that can be seen, weighed, measured, felt, or
15 touched, or that is in any other manner perceptible to
16 the senses. "Tangible personal property" includes
17 electricity, water, gas, steam, and prewritten
18 computer software.

19 55. "Taxpayer" includes any person who is subject
20 to a tax imposed by this chapter, whether acting on
21 the person's own behalf or as a fiduciary.

22 56. "Trailer" shall mean every trailer, as is now
23 or may be hereafter so defined by chapter 321, which
24 is required to be registered or is subject only to the
25 issuance of a certificate of title under chapter 321.

26 57. "Use" means and includes the exercise by any
27 person of any right or power over tangible personal
28 property incident to the ownership of that property.
29 a retailer's or building contractor's sale of
30 manufactured housing for use in this state, whether in
31 the form of tangible personal property or of realty,
32 is a use of that property for the purposes of this
33 chapter.

34 58. "Use tax" means the tax levied under
35 subchapter III of this chapter for which the retailer
36 collects and remits tax to the department.

37 59. "User" means the immediate recipient of the
38 services who is entitled to exercise a right of power
39 over the product of such services.

40 60. "Value of services" means the price to the
41 user exclusive of any direct tax imposed by the
42 federal government or by this chapter.

43 61. "Vehicles subject to registration" means any
44 vehicle subject to registration pursuant to section
45 321.18.

46 SUBCHAPTER II
47 SALES TAX

48 Sec. 104. NEW SECTION. 423.2 TAX IMPOSED.

49 1. There is imposed a tax of five percent upon the
50 sales price of all sales of tangible personal

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1 property, consisting of goods, wares, or merchandise,
2 sold at retail in the state to consumers or users
3 except as otherwise provided in this subchapter.

4 a. For the purposes of this subchapter, sales of
5 the following services are treated as if they were
6 sales of tangible personal property:

7 (1) Sales of engraving, photography, retouching,
8 printing, and binding services.

9 (2) Sales of vulcanizing, recapping, and
10 retreading services.

11 (3) Sales of prepaid telephone calling cards and
12 prepaid authorization numbers.

13 (4) Sales of optional service or warranty
14 contracts, except residential service contracts
15 regulated under chapter 523C, which provide for the
16 furnishing of labor and materials and require the
17 furnishing of any taxable service enumerated under
18 this section. The sales price is subject to tax even
19 if some of the services furnished are not enumerated
20 under this section. Additional sales, services, or
21 use taxes shall not be levied on services, parts, or
22 labor provided under optional service or warranty
23 contracts which are subject to tax under this
24 subsection.

25 If the optional service or warranty contract is a
26 computer software maintenance or support service
27 contract and there is no separately stated fee for the
28 taxable personal property or for the nontaxable
29 service, the tax imposed by this subsection shall be
30 imposed on fifty percent of the sales price from the
31 sale of such contract. If the contract provides for
32 technical support services only, no tax shall be
33 imposed under this subsection. The provisions of this
34 subparagraph (4) also apply to the use tax.

35 (5) Renting of rooms, apartments, or sleeping
36 quarters in a hotel, motel, inn, public lodging house,
37 rooming house, mobile home which is tangible personal
38 property, or tourist court, or in any place where
39 sleeping accommodations are furnished to transient
40 guests for rent, whether with or without meals.
41 "Renting" and "rent" include any kind of direct or
42 indirect charge for such rooms, apartments, or
43 sleeping quarters, or their use. However, the tax
44 does not apply to the sales price from the renting of
45 a room, apartment, or sleeping quarters while rented
46 by the same person for a period of more than thirty-
47 one consecutive days.

48 b. Sales of building materials, supplies, and
49 equipment to owners, contractors, subcontractors, or
50 builders for the erection of buildings or the

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1 alteration, repair, or improvement of real property
2 are retail sales of tangible personal property in
3 whatever quantity sold. Where the owner, contractor,
4 subcontractor, or builder is also a retailer holding a
5 retail sales tax permit and transacting retail sales
6 of building materials, supplies, and equipment, the
7 person shall purchase such items of tangible personal
8 property without liability for the tax if such
9 property will be subject to the tax at the time of
10 resale or at the time it is withdrawn from inventory
11 for construction purposes. The sales tax shall be due
12 in the reporting period when the materials, supplies,
13 and equipment are withdrawn from inventory for
14 construction purposes or when sold at retail. The tax
15 shall not be due when materials are withdrawn from
16 inventory for use in construction outside of Iowa and
17 the tax shall not apply to tangible personal property
18 purchased and consumed by the manufacturer as building
19 materials in the performance by the manufacturer or
20 its subcontractor of construction outside of Iowa.

21 The sale of carpeting is not a sale of building
22 materials. The sale of carpeting to owners,
23 contractors, subcontractors, or builders shall be
24 treated as the sale of ordinary tangible personal
25 property and subject to the tax imposed under this
26 subsection and the use tax.

27 c. The use within this state of tangible personal
28 property by the manufacturer thereof, as building
29 materials, supplies, or equipment, in the performance
30 of construction contracts in Iowa, shall, for the
31 purpose of this subchapter, be construed as a sale at
32 retail of tangible personal property by the
33 manufacturer who shall be deemed to be the consumer of
34 such tangible personal property. The tax shall be
35 computed upon the cost to the manufacturer of the
36 fabrication or production of the tangible personal
37 property.

38 2. A tax of five percent is imposed upon the sales
39 price of the sale or furnishing of gas, electricity,
40 water, heat, pay television service, and communication
41 service, including the sales price from such sales by
42 any municipal corporation or joint water utility
43 furnishing gas, electricity, water, heat, pay
44 television service, and communication service to the
45 public in its proprietary capacity, except as
46 otherwise provided in this subchapter, when sold at
47 retail in the state to consumers or users.

48 3. A tax of five percent is imposed upon the sales
49 price of all sales of tickets or admissions to places
50 of amusement, fairs, and athletic events except those

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1 of elementary and secondary educational institutions.
2 A tax of five percent is imposed on the sales price of
3 an entry fee or like charge imposed solely for the
4 privilege of participating in an activity at a place
5 of amusement, fair, or athletic event unless the sales
6 price of tickets or admissions charges for observing
7 the same activity are taxable under this subchapter.
8 A tax of five percent is imposed upon that part of
9 private club membership fees or charges paid for the
10 privilege of participating in any athletic sports
11 provided club members.

12 4. A tax of five percent is imposed upon the sales
13 price derived from the operation of all forms of
14 amusement devices and games of skill, games of chance,
15 raffles, and bingo games as defined in chapter 99B,
16 operated or conducted within the state, the tax to be
17 collected from the operator in the same manner as for
18 the collection of taxes upon the sales price of
19 tickets or admission as provided in this section.
20 Nothing in this subsection shall legalize any games of
21 skill or chance or slot-operated devices which are now
22 prohibited by law.

23 The tax imposed under this subsection covers the
24 total amount from the operation of games of skill,
25 games of chance, raffles, and bingo games as defined
26 in chapter 99B, and musical devices, weighing
27 machines, shooting galleries, billiard and pool
28 tables, bowling alleys, pinball machines, slot-
29 operated devices selling merchandise not subject to
30 the general sales taxes and on the total amount from
31 devices or systems where prizes are in any manner
32 awarded to patrons and upon the receipts from fees
33 charged for participation in any game or other form of
34 amusement, and generally upon the sales price from any
35 source of amusement operated for profit, not specified
36 in this section, and upon the sales price from which
37 tax is not collected for tickets or admission, but tax
38 shall not be imposed upon any activity exempt from
39 sales tax under section 423.3, subsection 78. Every
40 person receiving any sales price from the sources
41 described in this section is subject to all provisions
42 of this subchapter relating to retail sales tax and
43 other provisions of this chapter as applicable.

44 5. There is imposed a tax of five percent upon the
45 sales price from the furnishing of services as defined
46 in section 423.1.

47 6. The sales price of any of the following
48 enumerated services is subject to the tax imposed by
49 subsection 5: alteration and garment repair; armored
50 car; vehicle repair; battery, tire, and allied;

1 investment counseling; service charges of all
2 financial institutions; barber and beauty; boat
3 repair; vehicle wash and wax; campgrounds; carpentry;
4 roof, shingle, and glass repair; dance schools and
5 dance studios; dating services; dry cleaning,
6 pressing, dyeing, and laundering; electrical and
7 electronic repair and installation; excavating and
8 grading; farm implement repair of all kinds; flying
9 service; furniture, rug, carpet, and upholstery repair
10 and cleaning; fur storage and repair; golf and country
11 clubs and all commercial recreation; gun and camera
12 repair; house and building moving; household
13 appliance, television, and radio repair; janitorial
14 and building maintenance or cleaning; jewelry and
15 watch repair; lawn care, landscaping, and tree
16 trimming and removal; limousine service, including
17 driver; machine operator; machine repair of all kinds;
18 motor repair; motorcycle, scooter, and bicycle repair;
19 oilers and lubricators; office and business machine
20 repair; painting, papering, and interior decorating;
21 parking facilities; pay television; pet grooming; pipe
22 fitting and plumbing; wood preparation; executive
23 search agencies; private employment agencies,
24 excluding services for placing a person in employment
25 where the principal place of employment of that person
26 is to be located outside of the state; reflexology;
27 security and detective services; sewage services for
28 nonresidential commercial operations; sewing and
29 stitching; shoe repair and shoeshine; sign
30 construction and installation; storage of household
31 goods, mini-storage, and warehousing of raw
32 agricultural products; swimming pool cleaning and
33 maintenance; tanning beds or salons; taxidermy
34 services; telephone answering service; test
35 laboratories, including mobile testing laboratories
36 and field testing by testing laboratories, and
37 excluding tests on humans or animals; termite, bug,
38 roach, and pest eradicators; tin and sheet metal
39 repair; Turkish baths, massage, and reducing salons,
40 excluding services provided by massage therapists
41 licensed under chapter 152C; water conditioning and
42 softening; weighing; welding; well drilling; wrapping,
43 packing, and packaging of merchandise other than
44 processed meat, fish, fowl, and vegetables; wrecking
45 service; wrecker and towing.

46 For the purposes of this subsection, the sales
47 price of a lease or rental includes rents, royalties,
48 and copyright and license fees. For the purposes of
49 this subsection, "financial institutions" means all
50 national banks, federally chartered savings and loan

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1 associations, federally chartered savings banks,
2 federally chartered credit unions, banks organized
3 under chapter 524, savings and loan associations and
4 savings banks organized under chapter 534, and credit
5 unions organized under chapter 533.

6 7. a. A tax of five percent is imposed upon the
7 sales price from the sales, furnishing, or service of
8 solid waste collection and disposal service.

9 For purposes of this subsection, "solid waste"
10 means garbage, refuse, sludge from a water supply
11 treatment plant or air contaminant treatment facility,
12 and other discarded waste materials and sludges, in
13 solid, semisolid, liquid, or contained gaseous form,
14 resulting from nonresidential commercial operations,
15 but does not include auto hulks; street sweepings;
16 ash; construction debris; mining waste; trees; tires;
17 lead acid batteries; used oil; hazardous waste; animal
18 waste used as fertilizer; earthen fill, boulders, or
19 rock; foundry sand used for daily cover at a sanitary
20 landfill; sewage sludge; solid or dissolved material
21 in domestic sewage or other common pollutants in water
22 resources, such as silt, dissolved or suspended solids
23 in industrial waste water effluents or discharges
24 which are point sources subject to permits under
25 section 402 of the federal Water Pollution Control
26 Act, or dissolved materials in irrigation return
27 flows; or source, special nuclear, or by-product
28 material defined by the federal Atomic Energy Act of
29 1954.

30 A recycling facility that separates or processes
31 recyclable materials and that reduces the volume of
32 the waste by at least eighty-five percent is exempt
33 from the tax imposed by this subsection if the waste
34 exempted is collected and disposed of separately from
35 other solid waste.

36 b. A person who transports solid waste generated
37 by that person or another person without compensation
38 shall pay the tax imposed by this subsection at the
39 collection or disposal facility based on the disposal
40 charge or tipping fee. However, the costs of a
41 service or portion of a service to collect and manage
42 recyclable materials separated from solid waste by the
43 waste generator are exempt from the tax imposed by
44 this subsection.

45 8. a. A tax of five percent is imposed upon the
46 sales price from sales of bundled services contracts.
47 For purposes of this subsection, a "bundled services
48 contract" means an agreement providing for a
49 retailer's performance of services, one or more of
50 which is a taxable service enumerated in this section

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1 and one or more of which is not, in return for a
2 consumer's or user's single payment for the
3 performance of the services, with no separate
4 statement to the consumer or user of what portion of
5 that payment is attributable to any one service which
6 is a part of the contract.

7 b. For purposes of the administration of the tax
8 on bundled services contracts, the director may enter
9 into agreements of limited duration with individual
10 retailers, groups of retailers, or organizations
11 representing retailers of bundled services contracts.
12 Such an agreement shall impose the tax rate only upon
13 that portion of the sales price from a bundled
14 services contract which is attributable to taxable
15 services provided under the contract.

16 9. A tax of five percent is imposed upon the sales
17 price from any mobile telecommunications service which
18 this state is allowed to tax by the provisions of the
19 federal Mobile Telecommunications Sourcing Act, Pub.
20 L. No. 106-252, 4 U.S.C. § 116 et seq. For purposes
21 of this subsection, taxes on mobile telecommunications
22 service, as defined under the federal Mobile
23 Telecommunications Sourcing Act that are deemed to be
24 provided by the customer's home service provider,
25 shall be paid to the taxing jurisdiction whose
26 territorial limits encompass the customer's place of
27 primary use, regardless of where the mobile
28 telecommunications service originates, terminates, or
29 passes through and shall in all other respects be
30 taxed in conformity with the federal Mobile
31 Telecommunications Sourcing Act. All other provisions
32 of the federal Mobile Telecommunications Sourcing Act
33 are adopted by the state of Iowa and incorporated into
34 this subsection by reference. With respect to mobile
35 telecommunications service under the federal Mobile
36 Telecommunications Sourcing Act, the director shall,
37 if requested, enter into agreements consistent with
38 the provisions of the federal Act.

39 10. All revenues arising under the operation of
40 the provisions of this section shall be deposited into
41 the general fund of the state.

42 Sec. 105. NEW SECTION. 423.3 EXEMPTIONS.

43 There is exempted from the provisions of this
44 subchapter and from the computation of the amount of
45 tax imposed by it the following:

46 1. The sales price from sales of tangible personal
47 property and services furnished which this state is
48 prohibited from taxing under the Constitution or laws
49 of the United States or under the Constitution of this
50 state.

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- 1 2. The sales price of sales for resale of tangible
2 personal property or taxable services, or for resale
3 of tangible personal property in connection with the
4 furnishing of taxable services.
- 5 3. The sales price of agricultural breeding
6 livestock and domesticated fowl.
- 7 4. The sales price of commercial fertilizer.
- 8 5. The sales price of agricultural limestone,
9 herbicide, pesticide, insecticide, including
10 adjuvants, surfactants, and other products directly
11 related to the application enhancement of those
12 products, food, medication, or agricultural drain
13 tile, including installation of agricultural drain
14 tile, any of which are to be used in disease control,
15 weed control, insect control, or health promotion of
16 plants or livestock produced as part of agricultural
17 production for market.
- 18 6. The sales price of tangible personal property
19 which will be consumed as fuel in creating heat,
20 power, or steam for grain drying, or for providing
21 heat or cooling for livestock buildings or for
22 greenhouses or buildings or parts of buildings
23 dedicated to the production of flowering, ornamental,
24 or vegetable plants intended for sale in the ordinary
25 course of business, or for use in cultivation of
26 agricultural products by aquaculture, or in implements
27 of husbandry engaged in agricultural production.
- 28 7. The sales price of services furnished by
29 specialized flying implements of husbandry used for
30 agricultural aerial spraying.
- 31 8. The sales price exclusive of services of farm
32 machinery and equipment, including auxiliary
33 attachments which improve the performance, safety,
34 operation, or efficiency of the machinery and
35 equipment and replacement parts, if the following
36 conditions are met:
 - 37 a. The farm machinery and equipment shall be
38 directly and primarily used in production of
39 agricultural products.
 - 40 b. The farm machinery and equipment shall
41 constitute self-propelled implements or implements
42 customarily drawn or attached to self-propelled
43 implements or the farm machinery or equipment is a
44 grain dryer.
 - 45 c. The replacement part is essential to any repair
46 or reconstruction necessary to the farm machinery's or
47 equipment's exempt use in the production of
48 agricultural products.
- 49 Vehicles subject to registration, as defined in
50 section 423.1, or replacement parts for such vehicles,

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1 are not eligible for this exemption.

2 9. The sales price of wood chips, sawdust, hay,
3 straw, paper, or other materials used for bedding in
4 the production of agricultural livestock or fowl.

5 10. The sales price of gas, electricity, water, or
6 heat to be used in implements of husbandry engaged in
7 agricultural production.

8 11. The sales price exclusive of services of farm
9 machinery and equipment, including auxiliary
10 attachments which improve the performance, safety,
11 operation, or efficiency of the machinery and
12 equipment and replacement parts, if all of the
13 following conditions are met:

14 a. The implement, machinery, or equipment is
15 directly and primarily used in livestock or dairy
16 production, aquaculture production, or the production
17 of flowering, ornamental, or vegetable plants.

18 b. The implement is not a self-propelled implement
19 or implement customarily drawn or attached to self-
20 propelled implements.

21 c. The replacement part is essential to any repair
22 or reconstruction necessary to the farm machinery's or
23 equipment's exempt use in livestock or dairy
24 production, aquaculture production, or the production
25 of flowering, ornamental, or vegetable plants.

26 12. The sales price, exclusive of services, from
27 sales of irrigation equipment used in farming
28 operations.

29 13. The sales price from the sale or rental of
30 irrigation equipment, whether installed above or below
31 ground, to a contractor or farmer if the equipment
32 will be primarily used in agricultural operations.

33 14. The sales price from the sales of horses,
34 commonly known as draft horses, when purchased for use
35 and so used as draft horses.

36 15. The sales price from the sale of property
37 which is a container, label, carton, pallet, packing
38 case, wrapping, baling wire, twine, bag, bottle,
39 shipping case, or other similar article or receptacle
40 sold for use in agricultural, livestock, or dairy
41 production.

42 16. The sales price from the sale of feed and feed
43 supplements and additives when used for consumption by
44 farm deer or bison.

45 17. The sales price of all goods, wares, or
46 merchandise, or services, used for educational
47 purposes sold to any private nonprofit educational
48 institution in this state. For the purpose of this
49 subsection, "educational institution" means an

50 institution which primarily functions as a school,

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1 college, or university with students, faculty, and an
2 established curriculum. The faculty of an educational
3 institution must be associated with the institution
4 and the curriculum must include basic courses which
5 are offered every year. "Educational institution"
6 includes an institution primarily functioning as a
7 library.

8 18. The sales price of tangible personal property
9 sold, or of services furnished, to the following
10 nonprofit corporations:

11 a. Residential care facilities and intermediate
12 care facilities for persons with mental retardation
13 and residential care facilities for persons with
14 mental illness licensed by the department of
15 inspections and appeals under chapter 135C.

16 b. Residential facilities licensed by the
17 department of human services pursuant to chapter 237,
18 other than those maintained by individuals as defined
19 in section 237.1, subsection 7.

20 c. Rehabilitation facilities that provide
21 accredited rehabilitation services to persons with
22 disabilities which are accredited by the commission on
23 accreditation of rehabilitation facilities or the
24 accreditation council for services for persons with
25 mental retardation and other persons with
26 developmental disabilities and adult day care services
27 approved for reimbursement by the state department of
28 human services.

29 d. Community mental health centers accredited by
30 the department of human services pursuant to chapter
31 225C.

32 e. Community health centers as defined in 42
33 U.S.C. § 254(c) and migrant health centers as defined
34 in 42 U.S.C. § 254(b).

35 19. The sales price of tangible personal property
36 sold to a nonprofit organization which was organized
37 for the purpose of lending the tangible personal
38 property to the general public for use by them for
39 nonprofit purposes.

40 20. The sales price of tangible personal property
41 sold, or of services furnished, to nonprofit legal aid
42 organizations.

43 21. The sales price of goods, wares, or
44 merchandise, or of services, used for educational,
45 scientific, historic preservation, or aesthetic
46 purpose sold to a nonprofit private museum.

47 22. The sales price from sales of goods, wares, or
48 merchandise, or from services furnished, to a

49 nonprofit private art center to be used in the
50 operation of the art center.

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1 23. The sales price of tangible personal property
2 sold, or of services furnished, by a fair society
3 organized under chapter 174.

4 24. The sales price from services furnished by the
5 notification center established pursuant to section
6 480.3, and the vendor selected pursuant to section
7 480.3 to provide the notification service.

8 25. The sales price of food and beverages sold for
9 human consumption by a nonprofit organization which
10 principally promotes a food or beverage product for
11 human consumption produced, grown, or raised in this
12 state and whose income is exempt from federal taxation
13 under section 501(c) of the Internal Revenue Code.

14 26. The sales price of tangible personal property
15 sold, or of services furnished, to a statewide
16 nonprofit organ procurement organization, as defined
17 in section 142C.2.

18 27. The sales price of tangible personal property
19 sold, or of services furnished, to a nonprofit
20 hospital licensed pursuant to chapter 135B to be used
21 in the operation of the hospital.

22 28. The sales price of tangible personal property
23 sold, or of services furnished, to a freestanding
24 nonprofit hospice facility which operates a hospice
25 program as defined in 42 C.F.R., ch. IV, § 418.3,
26 which property or services are to be used in the
27 hospice program.

28 29. The sales price of all goods, wares, or
29 merchandise sold, or of services furnished, which are
30 used in the fulfillment of a written construction
31 contract with a nonprofit hospital licensed pursuant
32 to chapter 135B if all of the following apply:

33 a. The sales and delivery of the goods, wares, or
34 merchandise, or the services furnished occurred
35 between July 1, 1998, and December 31, 2001.

36 b. The written construction contract was entered
37 into prior to December 31, 1999, or bonds to fund the
38 construction were issued prior to December 31, 1999.

39 c. The sales or services were purchased by a
40 contractor as the agent for the hospital or were
41 purchased directly by the hospital.

42 30. The sales price of livestock ear tags sold by
43 a nonprofit organization whose income is exempt from
44 federal taxation under section 501(c)(6) of the
45 Internal Revenue Code where the proceeds are used in
46 bovine research programs selected or approved by such
47 organization.

48 31. The sales price of goods, wares, or
49 merchandise sold to and of services furnished, and
50 used for public purposes sold to a tax-certifying or

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1 tax-levying body of the state or a governmental
2 subdivision of the state, including regional transit
3 systems, as defined in section 324A.1, the state board
4 of regents, department of human services, state
5 department of transportation, any municipally owned
6 solid waste facility which sells all or part of its
7 processed waste as fuel to a municipally owned public
8 utility, and all divisions, boards, commissions,
9 agencies, or instrumentalities of state, federal,
10 county, or municipal government which have no earnings
11 going to the benefit of an equity investor or
12 stockholder, except any of the following:

13 a. The sales price of goods, wares, or merchandise
14 sold to, or of services furnished, and used by or in
15 connection with the operation of any municipally owned
16 public utility engaged in selling gas, electricity,
17 heat, or pay television service to the general public.

18 b. The sales price of furnishing of sewage
19 services to a county or municipality on behalf of
20 nonresidential commercial operations.

21 c. The furnishing of solid waste collection and
22 disposal service to a county or municipality on behalf
23 of nonresidential commercial operations located within
24 the county or municipality.

25 The exemption provided by this subsection shall
26 also apply to all such sales of goods, wares, or
27 merchandise or of services furnished and subject to
28 use tax.

29 32. The sales price of tangible personal property
30 sold, or of services furnished, by a county or city.
31 This exemption does not apply to any of the following:

32 a. The tax specifically imposed under section
33 423.2 on the sales price from sales or furnishing of
34 gas, electricity, water, heat, pay television service,
35 or communication service to the public by a municipal
36 corporation in its proprietary capacity.

37 b. The sale or furnishing of solid waste
38 collection and disposal service to nonresidential
39 commercial operations.

40 c. The sale or furnishing of sewage service for
41 nonresidential commercial operations.

42 d. Fees paid to cities and counties for the
43 privilege of participating in any athletic sports.

44 33. The sales price of mementos and other items
45 relating to Iowa history and historic sites, the
46 general assembly, and the state capitol, sold by the

47 legislative service bureau and its legislative
48 information office on the premises of property under
49 the control of the legislative council, at the state
50 capitol, and on other state property.

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1 34. The sales price from sales of mementos and
2 other items relating to Iowa history and historic
3 sites by the department of cultural affairs on the
4 premises of property under its control and at the
5 state capitol.

6 35. The sales price from sales or services
7 furnished by the state fair organized under chapter
8 173.

9 36. The sales price from sales of tangible
10 personal property or of the sale or furnishing of
11 electrical energy, natural or artificial gas, or
12 communication service to another state or political
13 subdivision of another state if the other state
14 provides a similar reciprocal exemption for this state
15 and political subdivision of this state.

16 37. The sales price of services on or connected
17 with new construction, reconstruction, alteration,
18 expansion, remodeling, or the services of a general
19 building contractor, architect, or engineer.

20 38. The sales price from the sale of building
21 materials, supplies, or equipment sold to rural water
22 districts organized under chapter 504a as provided in
23 chapter 357A and used for the construction of
24 facilities of a rural water district.

25 39. The sales price from "casual sales".

26 "Casual sales" means:

27 a. Sales of tangible personal property, or the
28 furnishing of services, of a nonrecurring nature, by
29 the owner, if the seller, at the time of the sale, is
30 not engaged for profit in the business of selling
31 tangible personal property or services taxed under
32 section 423.2.

33 b. The sale of all or substantially all of the
34 tangible personal property or services held or used by
35 a seller in the course of the seller's trade or
36 business for which the seller is required to hold a
37 sales tax permit when the seller sells or otherwise
38 transfers the trade or business to another person who
39 shall engage in a similar trade or business.

40 40. The sales price from the sale of automotive
41 fluids to a retailer to be used either in providing a
42 service which includes the installation or application
43 of the fluids in or on a motor vehicle, which service
44 is subject to section 423.2, subsection 6, or to be
45 installed in or applied to a motor vehicle which the

46 retailer intends to sell, which sale is subject to
47 section 423.26. For purposes of this subsection,
48 automotive fluids are all those which are refined,
49 manufactured, or otherwise processed and packaged for
50 sale prior to their installation in or application to

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1 a motor vehicle. They include but are not limited to
2 motor oil and other lubricants, hydraulic fluids,
3 brake fluid, transmission fluid, sealants,
4 undercoatings, antifreeze, and gasoline additives.
5 41. The sales price from the rental of motion
6 picture films, video and audio tapes, video and audio
7 discs, records, photos, copy, scripts, or other media
8 used for the purpose of transmitting that which can be
9 seen, heard, or read, if either of the following
10 conditions are met:
11 a. The lessee imposes a charge for the viewing of
12 such media and the charge for the viewing is subject
13 to taxation under this subchapter or is subject to use
14 tax.
15 b. The lessee broadcasts the contents of such
16 media for public viewing or listening.
17 42. The sales price from the sale of tangible
18 personal property consisting of advertising material
19 including paper to a person in Iowa if that person or
20 that person's agent will, subsequent to the sale, send
21 that advertising material outside this state and the
22 material is subsequently used solely outside of Iowa.
23 For the purpose of this subsection, "advertising
24 material" means any brochure, catalog, leaflet, flyer,
25 order form, return envelope, or similar item used to
26 promote sales of property or services.
27 43. The sales price from the sale of property or
28 of services performed on property which the retailer
29 transfers to a carrier for shipment to a point outside
30 of Iowa, places in the United States mail or parcel
31 post directed to a point outside of Iowa, or
32 transports to a point outside of Iowa by means of the
33 retailer's own vehicles, and which is not thereafter
34 returned to a point within Iowa, except solely in the
35 course of interstate commerce or transportation. This
36 exemption shall not apply if the purchaser, consumer,
37 or their agent, other than a carrier, takes physical
38 possession of the property in Iowa.
39 44. The sales price from the sale of property
40 which is a container, label, carton, pallet, packing
41 case, wrapping paper, twine, bag, bottle, shipping
42 case, or other similar article or receptacle sold to
43 retailers or manufacturers for the purpose of
44 packaging or facilitating the transportation of

45 tangible personal property sold at retail or
46 transferred in association with the maintenance or
47 repair of fabric or clothing.
48 45. The sales price from sales or rentals to a
49 printer or publisher of the following: acetate; anti-
50 halation backing; antistatic spray; back lining; base

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1 material used as a carrier for light sensitive
2 emulsions; blankets; blow-ups; bronze powder; carbon
3 tissue; codas; color filters; color separations;
4 contacts; continuous tone separations; creative art;
5 custom dies and die cutting materials; dampener
6 sleeves; dampening solution; design and styling; diazo
7 coating; dot etching; dot etching solutions; drawings;
8 drawsheets; driers; duplicate films or prints;
9 electronically digitized images; electrotypes; end
10 product of image modulation; engravings; etch
11 solutions; film; finished art or final art; fix;
12 fixative spray; flats; flying pasters; foils;
13 goldenrod paper; gum; halftones; illustrations; ink;
14 ink paste; keylines; lacquer; lasering images;
15 layouts; lettering; line negatives and positives;
16 linotypes; lithographic offset plates; magnesium and
17 zinc etchings; masking paper; masks; masters; mats;
18 mat service; metal toner; models and modeling; mylar;
19 negatives; nonoffset spray; opaque film process paper;
20 opaquing; padding compound; paper stock; photographic
21 materials: acids, plastic film, desensitizer
22 emulsion, exposure chemicals, fix, developers, and
23 paper; photography, day rate; photopolymer coating;
24 photographs; photostats; photo-display tape;
25 phototypesetter materials; ph-indicator sticks;
26 positives; press pack; printing cylinders; printing
27 plates, all types; process lettering; proof paper;
28 proofs and proof processes, all types; pumice powder;
29 purchased author alterations; purchased composition;
30 purchased phototypesetting; purchased stripping and
31 pasteups; red litho tape; reducers; roller covering;
32 screen tints; sketches; stepped plates; stereotypes;
33 strip types; substrate; tints; tissue overlays;
34 toners; transparencies; tympan; typesetting;
35 typography; varnishes; veloxes; wood mounts; and any
36 other items used in a like capacity to any of the
37 above enumerated items by the printer or publisher to
38 complete a finished product for sale at retail.
39 Expendable tools and supplies which are not enumerated
40 in this subsection are excluded from the exemption.
41 "Printer" means that portion of a person's business
42 engaged in printing that completes a finished product
43 for ultimate sale at retail or means that portion of a

44 person's business used to complete a finished printed
45 packaging material used to package a product for
46 ultimate sale at retail. "Printer" does not mean an
47 in-house printer who prints or copyrights its own
48 materials.
49 46. a. The sales price from the sale or rental of
50 computers, machinery, and equipment, including

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1 replacement parts, and materials used to construct or
2 self-construct computers, machinery, and equipment if
3 such items are any of the following:

- 4 (1) Directly and primarily used in processing by a
5 manufacturer.
- 6 (2) Directly and primarily used to maintain the
7 integrity of the product or to maintain unique
8 environmental conditions required for either the
9 product or the computers, machinery, and equipment
10 used in processing by a manufacturer, including test
11 equipment used to control quality and specifications
12 of the product.
- 13 (3) Directly and primarily used in research and
14 development of new products or processes of
15 processing.
- 16 (4) Computers used in processing or storage of
17 data or information by an insurance company, financial
18 institution, or commercial enterprise.
- 19 (5) Directly and primarily used in recycling or
20 reprocessing of waste products.
- 21 (6) Pollution-control equipment used by a
22 manufacturer, including but not limited to that
23 required or certified by an agency of this state or of
24 the United States government.

25 b. The sales price from the sale of fuel used in
26 creating heat, power, steam, or for generating
27 electrical current, or from the sale of electricity,
28 consumed by computers, machinery, or equipment used in
29 an exempt manner described in paragraph "a",
30 subparagraph (1), (2), (3), (5), or (6).

31 c. The sales price from the sale or rental of the
32 following shall not be exempt from the tax imposed by
33 this subchapter:

- 34 (1) Hand tools.
- 35 (2) Point-of-sale equipment and computers.
- 36 (3) Industrial machinery, equipment, and
37 computers, including pollution-control equipment
38 within the scope of section 427A.1, subsection 1,
39 paragraphs "h" and "i".
- 40 (4) Vehicles subject to registration, except
41 vehicles subject to registration which are directly
42 and primarily used in recycling or reprocessing of

43 waste products.

44 d. As used in this subsection:

45 (1) "Commercial enterprise" includes businesses
46 and manufacturers conducted for profit and centers for
47 data processing services to insurance companies,
48 financial institutions, businesses, and manufacturers,
49 but excludes professions and occupations and nonprofit
50 organizations.

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1 (2) "Financial institution" means as defined in
2 section 527.2.

3 (3) "Insurance company" means an insurer organized
4 or operating under chapter 508, 514, 515, 518, 518A,
5 519, or 520, or authorized to do business in Iowa as
6 an insurer or an insurance producer under chapter
7 522B.

8 (4) "Manufacturer" means as defined in section
9 428.20, but also includes contract manufacturers. A
10 contract manufacturer is a manufacturer that otherwise
11 falls within the definition of manufacturer under
12 section 428.20, except that a contract manufacturer
13 does not sell the tangible personal property the
14 contract manufacturer processes on behalf of other
15 manufacturers. A business engaged in activities
16 subsequent to the extractive process of quarrying or
17 mining, such as crushing, washing, sizing, or blending
18 of aggregate materials, is a manufacturer with respect
19 to these activities.

20 (5) "Processing" means a series of operations in
21 which materials are manufactured, refined, purified,
22 created, combined, or transformed by a manufacturer,
23 ultimately into tangible personal property.
24 Processing encompasses all activities commencing with
25 the receipt or producing of raw materials by the
26 manufacturer and ending at the point products are
27 delivered for shipment or transferred from the
28 manufacturer. Processing includes but is not limited
29 to refinement or purification of materials; treatment
30 of materials to change their form, context, or
31 condition; maintenance of the quality or integrity of
32 materials, components, or products; maintenance of
33 environmental conditions necessary for materials,
34 components, or products; quality control activities;
35 and construction of packaging and shipping devices,
36 placement into shipping containers or any type of
37 shipping devices or medium, and the movement of
38 materials, components, or products until shipment from
39 the processor.

40 (6) "Receipt or producing of raw materials" means
41 activities performed upon tangible personal property

42 only. With respect to raw materials produced from or
43 upon real estate, the receipt or producing of raw
44 materials is deemed to occur immediately following the
45 severance of the raw materials from the real estate.
46 47. The sales price from the furnishing of the
47 design and installation of new industrial machinery or
48 equipment, including electrical and electronic
49 installation.
50 48. The sales price from the sale of carbon

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1 dioxide in a liquid, solid, or gaseous form,
2 electricity, steam, and other taxable services when
3 used by a manufacturer of food products to produce
4 marketable food products for human consumption,
5 including but not limited to treatment of material to
6 change its form, context, or condition, in order to
7 produce the food product, maintenance of quality or
8 integrity of the food product, changing or maintenance
9 of temperature levels necessary to avoid spoilage or
10 to hold the food product in marketable condition,
11 maintenance of environmental conditions necessary for
12 the safe or efficient use of machinery and material
13 used to produce the food product, sanitation and
14 quality control activities, formation of packaging,
15 placement into shipping containers, and movement of
16 the material or food product until shipment from the
17 building of manufacture.

18 49. The sales price of sales of electricity,
19 steam, or any taxable service when purchased and used
20 in the processing of tangible personal property
21 intended to be sold ultimately at retail.

22 50. The sales price of tangible personal property
23 sold for processing. Tangible personal property is
24 sold for processing within the meaning of this
25 subsection only when it is intended that the property
26 will, by means of fabrication, compounding,
27 manufacturing, or germination, become an integral part
28 of other tangible personal property intended to be
29 sold ultimately at retail; or for generating electric
30 current; or the property is a chemical, solvent,
31 sorbent, or reagent, which is directly used and is
32 consumed, dissipated, or depleted, in processing
33 tangible personal property which is intended to be
34 sold ultimately at retail or consumed in the
35 maintenance or repair of fabric or clothing, and which
36 may not become a component or integral part of the
37 finished product. The distribution to the public of
38 free newspapers or shoppers guides is a retail sale
39 for purposes of the processing exemption set out in
40 this subsection and in subsection 49.

- 41 51. The sales price from the sale of argon and
42 other similar gases to be used in the manufacturing
43 process.
- 44 52. The sales price from the sale of electricity
45 to water companies assessed for property tax pursuant
46 to sections 428.24, 428.26, and 428.28 which is used
47 solely for the purpose of pumping water from a river
48 or well.
- 49 53. The sales price from the sale of wind energy
50 conversion property to be used as an electric power

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- 1 source and the sale of the materials used to
2 manufacture, install, or construct wind energy
3 conversion property used or to be used as an electric
4 power source.
- 5 For purposes of this subsection, "wind energy
6 conversion property" means any device, including, but
7 not limited to, a wind charger, windmill, wind
8 turbine, tower and electrical equipment, pad mount
9 transformers, power lines, and substation, which
10 converts wind energy to a form of usable energy.
- 11 54. The sales price from the sales of newspapers,
12 free newspapers, or shoppers guides and the printing
13 and publishing of such newspapers and shoppers guides,
14 and envelopes for advertising.
- 15 55. The sales price from the sale of motor fuel
16 and special fuel consumed for highway use or in
17 watercraft or aircraft where the fuel tax has been
18 imposed and paid and no refund has been or will be
19 allowed and the sales price from the sales of ethanol
20 blended gasoline, as defined in section 452A.2.
- 21 56. The sales price from all sales of food and
22 food ingredients. However, as used in this
23 subsection, "food" does not include alcoholic
24 beverages, candy, dietary supplements, food sold
25 through vending machines, prepared food, soft drinks,
26 and tobacco.
- 27 For the purposes of this subsection:
- 28 a. "Alcoholic beverages" means beverages that are
29 suitable for human consumption and contain one-half of
30 one percent or more of alcohol by volume.
- 31 b. "Candy" means a preparation of sugar, honey, or
32 other natural or artificial sweeteners in combination
33 with chocolate, fruits, nuts, or other ingredients or
34 flavorings in the form of bars, drops, or pieces.
35 Candy shall not include any preparation containing
36 flour and shall require no refrigeration.
- 37 c. "Dietary supplement" means any product, other
38 than tobacco, intended to supplement the diet that
39 contains one or more of the following dietary

40 ingredients:

41 (1) a vitamin.

42 (2) a mineral.

43 (3) An herb or other botanical.

44 (4) An amino acid.

45 (5) a dietary substance for use by humans to
46 supplement the diet by increasing the total dietary
47 intake.

48 (6) a concentrate, metabolite, constituent,
49 extract, or combination of any of the ingredients in
50 subparagraphs (1) through (5) that is intended for

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1 ingestion in tablet, capsule, powder, softgel, gelcap,
2 or liquid form, or if not intended for ingestion in
3 such a form, is not represented as conventional food
4 and is not represented for use as a sole item of a
5 meal or of the diet; and is required to be labeled as
6 a dietary supplement, identifiable by the "supplement
7 facts" box found on the label and as required pursuant
8 to 21 C.F.R. § 101.36.

9 d. "Food and food ingredients" means substances,
10 whether in liquid, concentrated, solid, frozen, dried,
11 or dehydrated form, that are sold for ingestion or
12 chewing by humans and are consumed for their taste or
13 nutritional value.

14 e. "Food sold through vending machines" means food
15 dispensed from a machine or other mechanical device
16 that accepts payment, other than food which would be
17 qualified for exemption under subsection 57 if
18 purchased with a coupon described in subsection 57.

19 f. "Prepared food" means any of following:

20 (1) Food sold in a heated state or heated by the
21 seller, including food sold by a caterer.

22 (2) Two or more food ingredients mixed or combined
23 by the seller for sale as a single item.

24 (3) "Prepared food", for the purposes of this
25 paragraph, does not include food that is any of the
26 following:

27 (a) Only cut, repackaged, or pasteurized by the
28 seller.

29 (b) Eggs, fish, meat, poultry, and foods
30 containing these raw animal foods requiring cooking by
31 the consumer as recommended by the United States food
32 and drug administration in chapter 3, part 401.11 of
33 its food code, so as to prevent food borne illnesses.

34 (c) Bakery items sold by the seller which baked
35 them. The words "bakery items" includes but is not
36 limited to breads, rolls, buns, biscuits, bagels,
37 croissants, pastries, donuts, Danish, cakes, tortes,
38 pies, tarts, muffins, bars, cookies, and tortillas.

- 39 (d) Food sold without eating utensils provided by
40 the seller in an unheated state as a single item which
41 is priced by weight or volume.
- 42 (4) Food sold with eating utensils provided by the
43 seller, including plates, knives, forks, spoons,
44 glasses, cups, napkins, or straws. A plate does not
45 include a container or packaging used to transport
46 food.
- 47 g. "Soft drinks" means nonalcoholic beverages that
48 contain natural or artificial sweeteners. "Soft
49 drinks" does not include beverages that contain milk
50 or milk products; soy, rice, or similar milk

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- 1 substitutes; or greater than fifty percent of
2 vegetable or fruit juice by volume.
- 3 f. "Tobacco" means cigarettes, cigars, chewing or
4 pipe tobacco, or any other item that contains tobacco.
- 5 57. The sales price from the sale of items
6 purchased with coupons issued under the federal Food
7 Stamp Act of 1977, 7 U.S.C. § 2011 et seq.
- 8 58. In transactions in which tangible personal
9 property is traded toward the sales price of other
10 tangible personal property, that portion of the sales
11 price which is not payable in money to the retailer is
12 exempted from the taxable amount if the following
13 conditions are met:
- 14 a. The tangible personal property traded to the
15 retailer is the type of property normally sold in the
16 regular course of the retailer's business.
- 17 b. The tangible personal property traded to the
18 retailer is intended by the retailer to be ultimately
19 sold at retail or is intended to be used by the
20 retailer or another in the remanufacturing of a like
21 item.
- 22 59. The sales price from the sale or rental of
23 prescription drugs or medical devices intended for
24 human use or consumption.
- 25 For the purposes of this subsection:
- 26 a. "Drug" means a compound, substance, or
27 preparation, and any component of a compound,
28 substance, or preparation, other than food and food
29 ingredients, dietary supplements, or alcoholic
30 beverages which is any of the following:
- 31 (1) Recognized in the official United States
32 pharmacopoeia, official homeopathic pharmacopoeia of
33 the United States, or official national formulary, and
34 supplement to any of them.
- 35 (2) Intended for use in the diagnosis, cure,
36 mitigation, treatment, or prevention of disease.
- 37 (3) Intended to affect the structure or any

38 function of the body.

39 b. "Medical device" means equipment or a supply,
40 intended to be prescribed by a practitioner, including
41 orthopedic or orthotic devices. However, "medical
42 device" also includes prosthetic devices, ostomy,
43 urological, and tracheostomy equipment and supplies,
44 and diabetic testing materials, hypodermic syringes
45 and needles, anesthesia trays, biopsy trays and biopsy
46 needles, cannula systems, catheter trays and invasive
47 catheters, dialyzers, drug infusion devices, fistula
48 sets, hemodialysis devices, insulin infusion devices,
49 intraocular lenses, irrigation solutions, intravenous
50 administering sets, solutions and stopcocks, myelogram

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1 trays, nebulizers, small vein infusion kits, spinal
2 puncture trays, transfusion sets, venous blood sets,
3 and oxygen equipment, intended to be dispensed for
4 human use with or without a prescription to an
5 ultimate user.

6 c. "Practitioner" means a practitioner as defined
7 in section 155A.3, or a person licensed to prescribe
8 drugs.

9 d. "Prescription drug" means a drug intended to be
10 dispensed to an ultimate user pursuant to a
11 prescription drug order, formula, or recipe issued in
12 any form of oral, written, electronic, or other means
13 of transmission by a duly licensed practitioner, or
14 oxygen or insulin dispensed for human consumption with
15 or without a prescription drug order or medication
16 order.

17 e. "Prosthetic device" means a replacement,
18 corrective, or supportive device including repair and
19 replacement parts for the same worn on or in the body
20 to do any of the following:

21 (1) Artificially replace a missing portion of the
22 body.

23 (2) Prevent or correct physical deformity or
24 malfunction.

25 (3) Support a weak or deformed portion of the
26 body.

27 f. "Ultimate user" means an individual who has
28 lawfully obtained and possesses a prescription drug or
29 medical device for the individual's own use or for the
30 use of a member of the individual's household, or an
31 individual to whom a prescription drug or medical
32 device has been lawfully supplied, administered,
33 dispensed, or prescribed.

34 60. The sales price from services furnished by
35 aerial commercial and charter transportation services.

36 61. The sales price from the sale of raffle

37 tickets for a raffle licensed pursuant to section
38 99B.5.

39 62. The sales price from the sale of tangible
40 personal property which will be given as prizes to
41 players in games of skill, games of chance, raffles,
42 and bingo games as defined in chapter 99B.

43 63. The sales price from the sale of a modular
44 home, as defined in section 435.1, to the extent of
45 the portion of the purchase price of the modular home
46 which is not attributable to the cost of the tangible
47 personal property used in the processing of the
48 modular home. For purposes of this exemption, the
49 portion of the purchase price which is not
50 attributable to the cost of the tangible personal

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1 property used in the processing of the modular home is
2 forty percent.

3 64. The sales price from charges paid to a
4 provider for access to on-line computer services. For
5 purposes of this subsection, "on-line computer
6 service" means a service that provides or enables
7 computer access by multiple users to the internet or
8 to other information made available through a computer
9 server.

10 65. The sales price from the sale or rental of
11 information services. "Information services" means
12 every business activity, process, or function by which
13 a seller or its agent accumulates, prepares,
14 organizes, or conveys data, facts, knowledge,
15 procedures, and like services to a buyer or its agent
16 of such information through any tangible or intangible
17 medium. Information accumulated, prepared, or
18 organized for a buyer or its agent is an information
19 service even though it may incorporate preexisting
20 components of data or other information. "Information
21 services" includes, but is not limited to, database
22 files, mailing lists, subscription files, market
23 research, credit reports, surveys, real estate
24 listings, bond rating reports, abstracts of title, bad
25 check lists, broadcasting rating services, wire
26 services, and scouting reports, or other similar
27 items.

28 66. The sales price of a sale at retail if the
29 substance of the transaction is delivered to the
30 purchaser digitally, electronically, or utilizing
31 cable, or by radio waves, microwaves, satellites, or
32 fiber optics.

33 67. a. The sales price from the sale of an
34 article of clothing designed to be worn on or about
35 the human body if all of the following apply:

- 36 (1) The sale price of the article is less than
37 one hundred dollars.
- 38 (2) The sale takes place during a period beginning
39 at 12:01 a.m. on the first Friday in August and ending
40 at midnight on the following Saturday.
- 41 b. This subsection does not apply to any of the
42 following:
- 43 (1) Sport or recreational equipment and protective
44 equipment.
- 45 (2) Clothing accessories or equipment.
- 46 (3) The rental of clothing.
- 47 c. For purposes of this subsection:
- 48 (1) "Clothing" means all human wearing apparel
49 suitable for general use. "Clothing" includes, but is
50 not limited to the following: aprons, household and

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- 1 shop; athletic supporters; baby receiving blankets;
2 bathing suits and caps; beach capes and coats; belts
3 and suspenders; boots; coats and jackets; costumes;
4 diapers (children and adults, including disposable
5 diapers); earmuffs; footlets; formal wear; garters and
6 garter belts; girdles; gloves and mittens for general
7 use; hats and caps; hosiery; insoles for shoes; lab
8 coats; neckties; overshoes; pantyhose; rainwear;
9 rubber pants; sandals; scarves; shoes and shoelaces;
10 slippers; sneakers; socks and stockings; steel-toed
11 shoes; underwear; uniforms, athletic and nonathletic;
12 and wedding apparel.
- 13 "Clothing" does not include the following: belt
14 buckles sold separately; costume masks sold
15 separately; patches and emblems sold separately;
16 sewing equipment and supplies (including, but not
17 limited to, knitting needles, patterns, pins,
18 scissors, sewing machines, sewing needles, tape
19 measures, and thimbles); and sewing materials that
20 become part of clothing (including, but not limited
21 to, buttons, fabric, lace, thread, yarn, and zippers).
- 22 (2) "Clothing accessories or equipment" means
23 incidental items worn on the person or in conjunction
24 with clothing. "Clothing accessories or equipment"
25 includes, but is not limited to, the following:
26 briefcases; cosmetics; hair notions (including, but
27 not limited to, barrettes, hair bows, and hair nets);
28 handbags; handkerchiefs; jewelry; sunglasses,
29 nonprescription; umbrellas; wallets; watches; and wigs
30 and hairpieces.
- 31 (3) "Protective equipment" means items for human
32 wear and designed as protection for the wearer against
33 injury or disease or as protection against damage or
34 injury of other persons or property but not suitable

35 for general use. "Protective equipment" includes, but
36 is not limited to, the following: breathing masks;
37 clean room apparel and equipment; ear and hearing
38 protectors; face shields; hard hats; helmets; paint or
39 dust respirators; protective gloves; safety glasses
40 and goggles; safety belts; tool belts; and welders
41 gloves and masks.

42 (4) "Sport or recreational equipment" means items
43 designed for human use and worn in conjunction with an
44 athletic or recreational activity that are not
45 suitable for general use. "Sport or recreational
46 equipment" includes, but is not limited to, the
47 following: ballet and tap shoes; cleated or spiked
48 athletic shoes; gloves (including, but not limited to,
49 baseball, bowling, boxing, hockey, and golf); goggles;
50 hand and elbow guards; life preservers and vests;

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1 mouth guards; roller and ice skates; shin guards;
2 shoulder pads; ski boots; waders; and wetsuits and
3 fins.

4 68. a. Subject to paragraph "b", the sales price
5 from the sale or furnishing of metered gas,
6 electricity, and fuel, including propane and heating
7 oil, to residential customers which is used to provide
8 energy for residential dwellings and units of
9 apartment and condominium complexes used for human
10 occupancy.

11 b. The exemption in this subsection shall be
12 phased in by means of a reduction in the tax rate as
13 follows:

14 (1) If the date of the utility billing or meter
15 reading cycle of the residential customer for the sale
16 or furnishing of metered gas and electricity is on or
17 after January 1, 2002, through December 31, 2002, or
18 if the sale or furnishing of fuel for purposes of
19 residential energy and the delivery of the fuel occurs
20 on or after January 1, 2002, through December 31,
21 2002, the rate of tax is four percent of the sales
22 price.

23 (2) If the date of the utility billing or meter
24 reading cycle of the residential customer for the sale
25 or furnishing of metered gas and electricity is on or
26 after January 1, 2003, through June 30, 2008, or if
27 the sale or furnishing of fuel for purposes of
28 residential energy and the delivery of the fuel occurs
29 on or after January 1, 2003, through June 30, 2008,
30 the rate of tax is three percent of the sales 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 July 1, 2008, through June 30, 2009, or if the
35 sale or furnishing of fuel for purposes of residential
36 energy and the delivery of the fuel occurs on or after
37 July 1, 2008, through June 30, 2009, the rate of tax
38 is two percent of the sales price.

39 (4) If the date of the utility billing or meter
40 reading cycle of the residential customer for the sale
41 or furnishing of metered gas and electricity is on or
42 after July 1, 2009, through June 30, 2010, or if the
43 sale or furnishing of fuel for purposes of residential
44 energy and the delivery of the fuel occurs on or after
45 July 1, 2009, through June 30, 2010, the rate of tax
46 is one percent of the sales price.

47 (5) If the date of the utility billing or meter
48 reading cycle of the residential customer for the sale
49 or furnishing of metered gas and electricity is on or
50 after July 1, 2010, or if the sale, furnishing, or

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1 service of fuel for purposes of residential energy and
2 the delivery of the fuel occurs on or after July 1,
3 2010, the rate of tax is zero percent of the sales
4 price.

5 c. The exemption in this subsection does not apply
6 to local option sales and services tax imposed
7 pursuant to chapters 423B and 423E.

8 69. The sales price from charges paid for the
9 delivery of electricity or natural gas if the sale or
10 furnishing of the electricity or natural gas or its
11 use is exempt from the tax on sales prices imposed
12 under this subchapter or from the use tax imposed
13 under subchapter III.

14 70. The sales price from the sales, furnishing, or
15 service of transportation service except the rental of
16 recreational vehicles or recreational boats, except
17 the rental of motor vehicles subject to registration
18 which are registered for a gross weight of thirteen
19 tons or less for a period of sixty days or less, and
20 except the rental of aircraft for a period of sixty
21 days or less. This exemption does not apply to the
22 transportation of electric energy or natural gas.

23 71. The sales price from sales of tangible
24 personal property used or to be used as railroad
25 rolling stock for transporting persons or property, or
26 as materials or parts therefor.

27 72. The sales price from the sales of special fuel
28 for diesel engines consumed or used in the operation
29 of ships, barges, or waterborne vessels which are used
30 primarily in or for the transportation of property or
31 cargo, or the conveyance of persons for hire on rivers
32 bordering on the state if the fuel is delivered by the

33 seller to the purchaser's barge, ship, or waterborne
34 vessel while it is afloat upon such a river.

35 73. The sales price from sales of vehicles subject
36 to registration or subject only to the issuance of a
37 certificate of title and sales of aircraft subject to
38 registration under section 328.20.

39 74. The sales price from the sale of aircraft for
40 use in a scheduled interstate federal aviation
41 administration certificated air carrier operation.

42 75. The sales price from the sale or rental of
43 aircraft; the sale or rental of tangible personal
44 property permanently affixed or attached as a
45 component part of the aircraft, including but not
46 limited to repair or replacement materials or parts;
47 and the sales price of all services used for aircraft
48 repair, remodeling, and maintenance services when such
49 services are performed on aircraft, aircraft engines,
50 or aircraft component materials or parts. For the

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1 purposes of this exemption, "aircraft" means aircraft
2 used in a scheduled interstate federal aviation
3 administration certificated air carrier operation.

4 76. The sales price from the sale or rental of
5 tangible personal property permanently affixed or
6 attached as a component part of the aircraft,
7 including but not limited to repair or replacement
8 materials or parts; and the sales price of all
9 services used for aircraft repair, remodeling, and
10 maintenance services when such services are performed
11 on aircraft, aircraft engines, or aircraft component
12 materials or parts. For the purposes of this
13 exemption, "aircraft" means aircraft used in
14 nonscheduled interstate federal aviation
15 administration certificated air carrier operation
16 operating under 14 C.F.R. ch. 1, pt. 135.

17 77. The sales price from the sale of aircraft to
18 an aircraft dealer who in turn rents or leases the
19 aircraft if all of the following apply:

- 20 a. The aircraft is kept in the inventory of the
21 dealer for sale at all times.
- 22 b. The dealer reserves the right to immediately
23 take the aircraft from the renter or lessee when a
24 buyer is found.
- 25 c. The renter or lessee is aware that the dealer
26 will immediately take the aircraft when a buyer is
27 found.

28 If an aircraft exempt under this subsection is used
29 for any purpose other than leasing or renting, or the
30 conditions in paragraphs "a", "b", and "c" are not
31 continuously met, the dealer claiming the exemption

32 under this subsection is liable for the tax that would
33 have been due except for this subsection. The tax
34 shall be computed upon the original purchase price.
35 78. The sales price from sales or rental of
36 tangible personal property, or services rendered by
37 any entity where the profits from the sales or rental
38 of the tangible personal property, or services
39 rendered are used by or donated to a nonprofit entity
40 which is exempt from federal income taxation pursuant
41 to section 501(c)(3) of the Internal Revenue Code, a
42 government entity, or a nonprofit private educational
43 institution, and where the entire proceeds from the
44 sales, rental, or services are expended for any of the
45 following purposes:
46 a. Educational.
47 b. Religious.
48 c. Charitable. A charitable act is an act done
49 out of goodwill, benevolence, and a desire to add to
50 or to improve the good of humankind in general or any

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1 class or portion of humankind, with no pecuniary
2 profit inuring to the person performing the service or
3 giving the gift.
4 This exemption does not apply to the sales price
5 from games of skill, games of chance, raffles, and
6 bingo games as defined in chapter 99B. This exemption
7 is disallowed on the amount of the sales price only to
8 the extent the profits from the sales, rental, or
9 services are not used by or donated to the appropriate
10 entity and expended for educational, religious, or
11 charitable purposes.
12 79. The sales price from the sale or rental of
13 tangible personal property or from services furnished
14 to a recognized community action agency as provided in
15 section 216A.93 to be used for the purposes of the
16 agency.
17 80. a. For purposes of this subsection,
18 "designated exempt entity" means an entity which is
19 designated in section 423.4, subsection 1.
20 b. If a contractor, subcontractor, or builder is
21 to use building materials, supplies, and equipment in
22 the performance of a construction contract with a
23 designated exempt entity, the person shall purchase
24 such items of tangible personal property without
25 liability for the tax if such property will be used in
26 the performance of the construction contract and a
27 purchasing agent authorization letter and an exemption
28 certificate, issued by the designated exempt entity,
29 are presented to the retailer.
30 c. Where the owner, contractor, subcontractor, or

31 builder is also a retailer holding a retail sales tax
32 permit and transacting retail sales of building
33 materials, supplies, and equipment, the tax shall not
34 be due when materials are withdrawn from inventory for
35 use in construction performed for a designated exempt
36 entity if an exemption certificate is received from
37 such entity.

38 d. Tax shall not apply to tangible personal
39 property purchased and consumed by a manufacturer as
40 building materials, supplies, or equipment in the
41 performance of a construction contract for a
42 designated exempt entity, if a purchasing agent
43 authorization letter and an exemption certificate are
44 received from such entity and presented to a retailer.

45 81. The sales price from the sales of lottery
46 tickets or shares pursuant to chapter 99G.

47 82. The sales price from the sale or rental of
48 core and mold making equipment and sand handling
49 equipment directly and primarily used in the mold
50 making process by a foundry.

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1 83. The sales price from noncustomer point of sale
2 or noncustomer automated teller machine access or
3 service charges assessed by a financial institution.
4 For purposes of this subsection, "financial
5 institution" means the same as defined in section
6 527.2.

7 Sec. 106.. NEW SECTION. 423.4 REFUNDS.

8 1. A private nonprofit educational institution in
9 this state, nonprofit private museum in this state,
10 tax-certifying or tax-levying body or governmental
11 subdivision of the state, including the state board of
12 regents, state department of human services, state
13 department of transportation, a municipally owned
14 solid waste facility which sells all or part of its
15 processed waste as fuel to a municipally owned public
16 utility, and all divisions, boards, commissions,
17 agencies, or instrumentalities of state, federal,
18 county, or municipal government which do not have
19 earnings going to the benefit of an equity investor or
20 stockholder, may make application to the department
21 for the refund of the sales or use tax upon the sales
22 price of all sales of goods, wares, or merchandise, or
23 from services furnished to a contractor, used in the
24 fulfillment of a written contract with the state of
25 Iowa, any political subdivision of the state, or a
26 division, board, commission, agency, or
27 instrumentality of the state or a political
28 subdivision, a private nonprofit educational
29 institution in this state, or a nonprofit private

30 museum in this state if the property becomes an
31 integral part of the project under contract and at the
32 completion of the project becomes public property, is
33 devoted to educational uses, or becomes a nonprofit
34 private museum; except goods, wares, or merchandise,
35 or services furnished which are used in the
36 performance of any contract in connection with the
37 operation of any municipal utility engaged in selling
38 gas, electricity, or heat to the general public or in
39 connection with the operation of a municipal pay
40 television system; and except goods, wares, and
41 merchandise used in the performance of a contract for
42 a "project" under chapter 419 as defined in that
43 chapter other than goods, wares, or merchandise used
44 in the performance of a contract for a "project" under
45 chapter 419 for which a bond issue was approved by a
46 municipality prior to July 1, 1968, or for which the
47 goods, wares, or merchandise becomes an integral part
48 of the project under contract and at the completion of
49 the project becomes public property or is devoted to
50 educational uses.

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1 a. Such contractor shall state under oath, on
2 forms provided by the department, the amount of such
3 sales of goods, wares, or merchandise, or services
4 furnished and used in the performance of such
5 contract, and upon which sales or use tax has been
6 paid, and shall file such forms with the governmental
7 unit, private nonprofit educational institution, or
8 nonprofit private museum which has made any written
9 contract for performance by the contractor. The forms
10 shall be filed by the contractor with the governmental
11 unit, educational institution, or nonprofit private
12 museum before final settlement is made.

13 b. Such governmental unit, educational
14 institution, or nonprofit private museum shall, not
15 more than one year after the final settlement has been
16 made, make application to the department for any
17 refund of the amount of the sales or use tax which
18 shall have been paid upon any goods, wares, or
19 merchandise, or services furnished, the application to
20 be made in the manner and upon forms to be provided by
21 the department, and the department shall forthwith
22 audit the claim and, if approved, issue a warrant to
23 the governmental unit, educational institution, or
24 nonprofit private museum in the amount of the sales or
25 use tax which has been paid to the state of Iowa under
26 the contract.

27 Refunds authorized under this subsection shall
28 accrue interest at the rate in effect under section

29 421.7 from the first day of the second calendar month
30 following the date the refund claim is received by the
31 department.

32 c. Any contractor who willfully makes a false
33 report of tax paid under the provisions of this
34 subsection is guilty of a simple misdemeanor and in
35 addition shall be liable for the payment of the tax
36 and any applicable penalty and interest.

37 2. The refund of sales and use tax paid on
38 transportation construction projects let by the state
39 department of transportation is subject to the special
40 provisions of this subsection.

41 a. A contractor awarded a contract for a
42 transportation construction project is considered the
43 consumer of all building materials, building supplies,
44 and equipment and shall pay sales tax to the supplier
45 or remit consumer use tax directly to the department.

46 b. The contractor is not required to file
47 information with the state department of
48 transportation stating the amount of goods, wares, or
49 merchandise, or services rendered, furnished, or
50 performed and used in the performance of the contract

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1 or the amount of sales or use tax paid.

2 c. The state department of transportation shall
3 file a refund claim based on a formula that considers
4 the following:

5 (1) The quantity of material to complete the
6 contract, and quantities of items of work.

7 (2) The estimated cost of these materials included
8 in the items of work, and the state sales or use tax
9 to be paid on the tax rate in effect in section 423.2.

10 The quantity of materials shall be determined after
11 each letting based on the contract quantities of all
12 items of work let to contract. The quantity of
13 individual component materials required for each item
14 shall be determined and maintained in a database. The
15 total quantities of materials shall be determined by
16 multiplying the quantities of component materials for
17 each contract item of work by the total quantities of
18 each contract item for each letting. Where variances
19 exist in the cost of materials, the lowest cost shall
20 be used as the base cost.

21 d. Only the state sales or use tax is refundable.
22 Local option taxes paid by the contractor are not
23 refundable.

24 3. A relief agency may apply to the director for
25 refund of the amount of sales or use tax imposed and
26 paid upon sales to it of any goods, wares,
27 merchandise, or services furnished, used for free

28 distribution to the poor and needy.

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

32 (1) On forms furnished by the department, and
33 filed within the time as the director shall provide by
34 rule, the relief agency shall report to the department
35 the total amount or amounts, valued in money, expended
36 directly or indirectly for goods, wares, merchandise,
37 or services furnished, used for free distribution to
38 the poor and needy.

39 (2) On these forms the relief agency shall
40 separately list the persons making the sales to it or
41 to its order, together with the dates of the sales,
42 and the total amount so expended by the relief agency.

43 (3) The relief agency must prove to the
44 satisfaction of the director that the person making
45 the sales has included the amount thereof in the
46 computation of the sales price of such person and that
47 such person has paid the tax levied by this subchapter
48 or subchapter III, based upon such computation of the
49 sales price.

50 b. If satisfied that the foregoing conditions and

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1 requirements have been complied with, the director
2 shall refund the amount claimed by the relief agency.

3 SUBCHAPTER III

4 USE TAX

5 Sec. 107. NEW SECTION. 423.5 IMPOSITION OF TAX.

6 An excise tax at the rate of five percent of the
7 purchase price or installed purchase price is imposed
8 on the following:

9 1. The use in this state of tangible personal
10 property as defined in section 423.1, including
11 aircraft subject to registration under section 328.20,
12 purchased for use in this state. For the purposes of
13 this subchapter, the furnishing or use of the
14 following services is also treated as the use of
15 tangible personal property: optional service or
16 warranty contracts, except residential service
17 contracts regulated under chapter 523C, vulcanizing,
18 recapping, or retreading services, engraving,
19 photography, retouching, printing, or binding
20 services, and communication service when furnished or
21 delivered to consumers or users within this state.

22 2. The use of manufactured housing in this state,
23 on the purchase price if the manufactured housing is
24 sold in the form of tangible personal property or on
25 the installed purchase price if the manufactured
26 housing is sold in the form of realty.

27 3. The use of leased vehicles, on the amount
28 subject to tax as calculated pursuant to section
29 423.27.

30 4. Purchases of tangible personal property made
31 from the government of the United States or any of its
32 agencies by ultimate consumers shall be subject to the
33 tax imposed by this section. Services purchased from
34 the same source or sources shall be subject to the
35 service tax imposed by this subchapter and apply to
36 the user of the services.

37 5. The use in this state of services enumerated in
38 section 423.2. This tax is applicable where services
39 are furnished in this state or where the product or
40 result of the service is used in this state.

41 6. The excise tax is imposed upon every person
42 using the property within this state until the tax has
43 been paid directly to the county treasurer, the state
44 department of transportation, a retailer, or the
45 department. This tax is imposed on every person using
46 the services or the product of the services in this
47 state until the user has paid the tax either to an
48 Iowa use tax permit holder or to the department.

49 7. For the purpose of the proper administration of
50 the use tax and to prevent its evasion, evidence that

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1 tangible personal property was sold by any person for
2 delivery in this state shall be prima facie evidence
3 that such tangible personal property was sold for use
4 in this state.

5 Sec. 108. NEW SECTION. 423.6 EXEMPTIONS.

6 The use in this state of the following tangible
7 personal property and services is exempted from the
8 tax imposed by this subchapter:

9 1. Tangible personal property and enumerated
10 services, the sales price from the sale of which are
11 required to be included in the measure of the sales
12 tax, if that tax has been paid to the department or
13 the retailer. This exemption does not include
14 vehicles subject to registration or subject only to
15 the issuance of a certificate of title.

16 2. The sale of tangible personal property or the
17 furnishing of services in the regular course of
18 business.

19 3. Property used in processing. The use of
20 property in processing within the meaning of this
21 subsection shall mean and include any of the
22 following:

23 a. Any tangible personal property including
24 containers which it is intended shall, by means of
25 fabrication, compounding, manufacturing, or

26 germination, become an integral part of other tangible
27 personal property intended to be sold ultimately at
28 retail, and containers used in the collection,
29 recovery, or return of empty beverage containers
30 subject to chapter 455C.

31 b. Fuel which is consumed in creating power, heat,
32 or steam for processing or for generating electric
33 current.

34 c. Chemicals, solvents, sorbents, or reagents,
35 which are directly used and are consumed, dissipated,
36 or depleted in processing tangible personal property
37 which is intended to be sold ultimately at retail, and
38 which may not become a component or integral part of
39 the finished product.

40 d. The distribution to the public of free
41 newspapers or shoppers guides shall be deemed a retail
42 sale for purposes of the processing exemption in this
43 subsection.

44 4. All articles of tangible personal property
45 brought into the state of Iowa by a nonresident
46 individual for the individual's use or enjoyment while
47 within the state.

48 5. Services exempt from taxation by the provisions
49 of section 423.3.

50 6. Tangible personal property or services the

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1 sales price of which is exempt from the sales tax
2 under section 423.3, except subsections 39 and 73, as
3 it relates to the sale, but not the lease or rental,
4 of vehicles subject to registration or subject only to
5 the issuance of a certificate of title and as it
6 relates to aircraft subject to registration under
7 section 328.20.

8 7. Advertisement and promotional material and
9 matter, seed catalogs, envelopes for same, and other
10 similar material temporarily stored in this state
11 which are acquired outside of Iowa and which,
12 subsequent to being brought into this state, are sent
13 outside of Iowa, either singly or physically attached
14 to other tangible personal property sent outside of
15 Iowa.

16 8. Vehicles, as defined in section 321.1,
17 subsections 41, 64A, 71, 85, and 88, except such
18 vehicles subject to registration which are designed
19 primarily for carrying persons, when purchased for
20 lease and actually leased to a lessee for use outside
21 the state of Iowa and the subsequent sole use in Iowa
22 is in interstate commerce or interstate
23 transportation.

24 9. Tangible personal property which, by means of

25 fabrication, compounding, or manufacturing, becomes an
26 integral part of vehicles, as defined in section
27 321.1, subsections 41, 64A, 71, 85, and 88,
28 manufactured for lease and actually leased to a lessee
29 for use outside the state of Iowa and the subsequent
30 sole use in Iowa is in interstate commerce or
31 interstate transportation. Vehicles subject to
32 registration which are designed primarily for carrying
33 persons are excluded from this subsection.
34 10. Vehicles subject to registration which are
35 transferred from a business or individual conducting a
36 business within this state as a sole proprietorship,
37 partnership, or limited liability company to a
38 corporation formed by the sole proprietorship,
39 partnership, or limited liability company for the
40 purpose of continuing the business when all of the
41 stock of the corporation so formed is owned by the
42 sole proprietor and the sole proprietor's spouse, by
43 all the partners in the case of a partnership, or by
44 all the members in the case of a limited liability
45 company. This exemption is equally available where
46 the vehicles subject to registration are transferred
47 from a corporation to a sole proprietorship,
48 partnership, or limited liability company formed by
49 that corporation for the purpose of continuing the
50 business when all of the incidents of ownership are

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1 owned by the same person or persons who were
2 stockholders of the corporation.
3 This exemption also applies where the vehicles
4 subject to registration are transferred from a
5 corporation as part of the liquidation of the
6 corporation to its stockholders if within three months
7 of such transfer the stockholders retransfer those
8 vehicles subject to registration to a sole
9 proprietorship, partnership, or limited liability
10 company for the purpose of continuing the business of
11 the corporation when all of the incidents of ownership
12 are owned by the same person or persons who were
13 stockholders of the corporation.
14 10A. Vehicles subject to registration which are
15 transferred from a corporation that is primarily
16 engaged in the business of leasing vehicles subject to
17 registration to a corporation that is primarily
18 engaged in the business of leasing vehicles subject to
19 registration when the transferor and transferee
20 corporations are part of the same controlled group for
21 federal income tax purposes.
22 11. Vehicles registered or operated under chapter
23 326 and used substantially in interstate commerce,

24 section 423.5, subsection 7, notwithstanding. For
25 purposes of this subsection, "substantially in
26 interstate commerce" means that a minimum of twenty-
27 five percent of the miles operated by the vehicle
28 accrues in states other than Iowa. This subsection
29 applies only to vehicles which are registered for a
30 gross weight of thirteen tons or more.

31 For purposes of this subsection, trailers and
32 semitrailers registered or operated under chapter 326
33 are deemed to be used substantially in interstate
34 commerce and to be registered for a gross weight of
35 thirteen tons or more.

36 For the purposes of this subsection, if a vehicle
37 meets the requirement that twenty-five percent of the
38 miles operated accrues in states other than Iowa in
39 each year of the first four-year period of operation,
40 the exemption from use tax shall continue until the
41 vehicle is sold or transferred. If the vehicle is
42 found to have not met the exemption requirements or
43 the exemption was revoked, the value of the vehicle
44 upon which the use tax shall be imposed is the book or
45 market value, whichever is less, at the time the
46 exemption requirements were not met or the exemption
47 was revoked.

48 12. Mobile homes and manufactured housing the use
49 of which has previously been subject to the tax
50 imposed under this subchapter and for which that tax

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1 has been paid.

2 13. Mobile homes to the extent of the portion of
3 the purchase price of the mobile home which is not
4 attributable to the cost of the tangible personal
5 property used in the processing of the mobile home,
6 and manufactured housing to the extent of the purchase
7 price or the installed purchase price of the
8 manufactured housing which is not attributable to the
9 cost of the tangible personal property used in the
10 processing of the manufactured housing. For purposes
11 of this exemption, the portion of the purchase price
12 which is not attributable to the cost of the tangible
13 personal property used in the processing of the mobile
14 home is forty percent and the portion of the purchase
15 price or installed purchase price which is not
16 attributable to the cost of the tangible personal
17 property used in the processing of the manufactured
18 housing is forty percent.

19 14. Tangible personal property used or to be used
20 as a ship, barge, or waterborne vessel which is used
21 or to be used primarily in or for the transportation
22 of property or cargo for hire on the rivers bordering

23 the state or as materials or parts of such ship,
24 barge, or waterborne vessel.

25 15. Vehicles subject to registration in any state
26 when purchased for rental or registered and titled by
27 a motor vehicle dealer licensed pursuant to chapter
28 322 for rental use, and held for rental for a period
29 of one hundred twenty days or more and actually rented
30 for periods of sixty days or less by a person
31 regularly engaged in the business of renting vehicles
32 including, but not limited to, motor vehicle dealers
33 licensed pursuant to chapter 322 who rent automobiles
34 to users, if the rental of the vehicles is subject to
35 taxation under chapter 423C.

36 16. Motor vehicles subject to registration which
37 were registered and titled between July 1, 1982, and
38 July 1, 1992, to a motor vehicle dealer licensed under
39 chapter 322 and which were rented to a user as defined
40 in section 423C.2 if the following occurred:

41 a. The dealer kept the vehicle on the inventory of
42 vehicles for sale at all times.

43 b. The vehicle was to be immediately taken from
44 the user of the vehicle when a buyer was found.

45 c. The user was aware of this situation.

46 17. Vehicles subject to registration under chapter
47 321, with a gross vehicle weight rating of less than
48 sixteen thousand pounds, excluding motorcycles and
49 motorized bicycles, when purchased for lease and
50 titled by the lessor licensed pursuant to chapter 321F

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1 and actually leased for a period of twelve months or
2 more if the lease of the vehicle is subject to
3 taxation under section 423.27.

4 a lessor may maintain the exemption from use tax
5 under this subsection for a qualifying lease that
6 terminates at the conclusion or prior to the
7 contracted expiration date, if the lessor does not use
8 the vehicle for any purpose other than for lease.

9 Once the vehicle is used by the lessor for a purpose
10 other than for lease, the exemption from use tax under
11 this subsection no longer applies and, unless there is
12 an exemption from the use tax, use tax is due on the
13 fair market value of the vehicle determined at the
14 time the lessor uses the vehicle for a purpose other
15 than for lease, payable to the department. If the
16 lessor holds the vehicle exclusively for sale, use tax
17 is due and payable on the purchase price of the
18 vehicle at the time of purchase pursuant to this
19 subchapter.

20 18. Aircraft for use in a scheduled interstate
21 federal aviation administration certificated air

- 22 carrier operation.
- 23 19. Aircraft; tangible personal property
- 24 permanently affixed or attached as a component part of
- 25 the aircraft, including but not limited to repair or
- 26 replacement materials or parts; and all services used
- 27 for aircraft repair, remodeling, and maintenance
- 28 services when such services are performed on aircraft,
- 29 aircraft engines, or aircraft component materials or
- 30 parts. For the purposes of this exemption, "aircraft"
- 31 means aircraft used in a scheduled interstate federal
- 32 aviation administration certificated air carrier
- 33 operation.
- 34 20. Tangible personal property permanently affixed
- 35 or attached as a component part of the aircraft,
- 36 including but not limited to repair or replacement
- 37 materials or parts; and all services used for aircraft
- 38 repair, remodeling, and maintenance services when such
- 39 services are performed on aircraft, aircraft engines,
- 40 or aircraft component materials or parts. For the
- 41 purposes of this exemption, "aircraft" means aircraft
- 42 used in a nonscheduled interstate federal aviation
- 43 administration certificated air carrier operation
- 44 operating under 14 C.F.R., ch. 1, pt. 135.
- 45 21. Aircraft sold to an aircraft dealer who in
- 46 turn rents or leases the aircraft if all of the
- 47 following apply:
- 48 a. The aircraft is kept in the inventory of the
- 49 dealer for sale at all times.
- 50 b. The dealer reserves the right to immediately

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- 1 take the aircraft from the renter or lessee when a
- 2 buyer is found.
- 3 c. The renter or lessee is aware that the dealer
- 4 will immediately take the aircraft when a buyer is
- 5 found.
- 6 If an aircraft exempt under this subsection is used
- 7 for any purpose other than leasing or renting, or the
- 8 conditions in paragraphs "a", "b", and "c" are not
- 9 continuously met, the dealer claiming the exemption
- 10 under this subsection is liable for the tax that would
- 11 have been due except for this subsection. The tax
- 12 shall be computed upon the original purchase price.
- 13 22. The use in this state of building materials,
- 14 supplies, or equipment, the sale or use of which is
- 15 not treated as a retail sale or a sale at retail under
- 16 section 423.2, subsection 1.
- 17 23. Exempted from the purchase price of any
- 18 vehicle subject to registration is:
- 19 a. The amount of any cash rebate which is provided
- 20 by a motor vehicle manufacturer to the purchaser of

21 the vehicle subject to registration so long as the
22 rebate is applied to the purchase price of the
23 vehicle.

24 b. That in transactions, except those subject to
25 paragraph "c", in which tangible personal property is
26 traded toward the purchase price of other tangible
27 personal property the purchase price is only that
28 portion of the purchase price which is payable in
29 money to the retailer if the following conditions are
30 met:

31 (1) The tangible personal property traded to the
32 retailer is the type of property normally sold in the
33 regular course of the retailer's business.

34 (2) The tangible personal property traded to the
35 retailer is intended by the retailer to be ultimately
36 sold at retail or is intended to be used by the
37 retailer or another in the remanufacturing of a like
38 item.

39 c. In a transaction between persons, neither of
40 which is a retailer of vehicles subject to
41 registration, in which a vehicle subject to
42 registration is traded toward the purchase price of
43 another vehicle subject to registration, the amount of
44 the trade-in value allowed on the vehicle subject to
45 registration traded.

46 SUBCHAPTER IV

47 UNIFORM SALES AND USE TAX ADMINISTRATION ACT

48 Sec. 109. NEW SECTION. 423.7 TITLE.

49 This subchapter shall be known and may be cited as
50 the "Uniform Sales and Use Tax Administration Act".

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1 Sec. 110. NEW SECTION. 423.8 LEGISLATIVE FINDING 2 AND INTENT.

3 The general assembly finds that Iowa should enter
4 into an agreement with one or more states to simplify
5 and modernize sales and use tax administration in
6 order to substantially reduce the burden of tax
7 compliance for all sellers and for all types of
8 commerce. It is the intent of the general assembly
9 that entering into this agreement will lead to
10 simplification and modernization of the sales and use
11 tax law and not to the imposition of new taxes or an
12 increase or decrease in the existing number of
13 exemptions, unless such a result is unavoidable under
14 the terms of the agreement.

15 Sec. 111. NEW SECTION. 423.9 AUTHORITY TO ENTER 16 AGREEMENT AND TO REPRESENT THE STATE.

17 The director is authorized and directed to enter
18 into the streamlined sales and use tax agreement with
19 one or more states to simplify and modernize sales and

20 use tax administration in order to substantially
21 reduce the burden of tax compliance for all sellers
22 and for all types of commerce.
23 . The director is further authorized to take other
24 actions reasonably required to implement the
25 provisions set forth in this chapter. Other actions
26 authorized by this section include, but are not
27 limited to, the adoption of rules and the joint
28 procurement, with other member states, of goods and
29 services in furtherance of the cooperative agreement.
30 The director or the director's designee is
31 authorized to be a member of the governing board
32 established pursuant to the agreement and to represent
33 Iowa before that body.
34 Sec. 112. NEW SECTION. 423.10 RELATIONSHIP TO
35 STATE LAW.
36 Entry into the agreement by the director does not
37 amend or modify any law of this state. Implementation
38 of any condition of the agreement in this state,
39 whether adopted before, at, or after membership of
40 this state in the agreement, shall be by action of the
41 general assembly.
42 Sec. 113. NEW SECTION. 423.11 AGREEMENT
43 REQUIREMENTS.
44 The director shall not enter into the agreement
45 unless the agreement requires each state to abide by
46 the following requirements:
47 1. UNIFORM STATE RATE. The agreement must set
48 restrictions to achieve more uniform state rates
49 through the following:
50 a. Limiting the number of state rates.

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1 b. Limiting the application of maximums on the
2 amount of state tax that is due on a transaction.
3 c. Limiting the application of thresholds on the
4 application of state tax.
5 2. UNIFORM STANDARDS. The agreement must
6 establish uniform standards for the following:
7 a. The sourcing of transactions to taxing
8 jurisdictions.
9 b. The administration of exempt sales.
10 c. The allowances a seller can take for bad debts.
11 d. Sales and use tax returns and remittances.
12 3. UNIFORM DEFINITIONS. The agreement must
13 require states to develop and adopt uniform
14 definitions of sales and use tax terms. The
15 definitions must enable a state to preserve its
16 ability to make policy choices not inconsistent with
17 the uniform definitions.
18 4. CENTRAL REGISTRATION. The agreement must

19 provide a central, electronic registration system that
20 allows a seller to register to collect and remit sales
21 and use taxes for all member states.

22 5. NO NEXUS ATTRIBUTION. The agreement must
23 provide that registration with the central
24 registration system and the collection of sales and
25 use taxes in the member states must not be used as a
26 factor in determining whether the seller has nexus
27 with a state for any tax.

28 6. LOCAL SALES AND USE TAXES. The agreement must
29 provide for reduction of the burdens of complying with
30 local sales and use taxes through the following:

31 a. Restricting variances between the state and
32 local tax bases.

33 b. Requiring states to administer any sales and
34 use taxes levied by local jurisdictions within the
35 state so that sellers collecting and remitting these
36 taxes must not have to register or file returns with,
37 remit funds to, or be subject to independent audits
38 from local taxing jurisdictions.

39 c. Restricting the frequency of changes in the
40 local sales and use tax rates and setting effective
41 dates for the application of local jurisdictional
42 boundary changes to local sales and use taxes.

43 d. Providing notice of changes in local sales and
44 use tax rates and of changes in the boundaries of
45 local taxing jurisdictions.

46 7. MONETARY ALLOWANCES. The agreement must
47 outline any monetary allowances that are to be
48 provided by the states to sellers or certified service
49 providers.

50 8. STATE COMPLIANCE. The agreement must require

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1 each state to certify compliance with the terms of the
2 agreement prior to joining and to maintain compliance,
3 under the laws of the member state, with all
4 provisions of the agreement while a member.

5 9. CONSUMER PRIVACY. The agreement must require
6 each state to adopt a uniform policy for certified
7 service providers that protects the privacy of
8 consumers and maintains the confidentiality of tax
9 information.

10 10. ADVISORY COUNCILS. The agreement must provide
11 for the appointment of an advisory council of private
12 sector representatives and an advisory council of
13 nonmember state representatives to consult with in the
14 administration of the agreement.

15 Sec. 114. NEW SECTION. 423.12 LIMITED BINDING
16 AND BENEFICIAL EFFECT.

17 1. The agreement binds and inures only to the

18 benefit of Iowa and the other member states. A
19 person, other than a member state, is not an intended
20 beneficiary of the agreement. Any benefit to a person
21 other than a member state is established by the law of
22 Iowa and not by the terms of the agreement.

23 2. A person shall not have any cause of action or
24 defense under the agreement or by virtue of this
25 state's entry into the agreement. A person may not
26 challenge, in any action brought under any provision
27 of law, any action or inaction by any department,
28 agency, or other instrumentality of this state, or any
29 political subdivision of this state on the ground that
30 the action or inaction is inconsistent with the
31 agreement.

32 3. A law of this state, or the application of it,
33 shall not be declared invalid as to any such person or
34 circumstance on the ground that the provision or
35 application is inconsistent with the agreement.

36 SUBCHAPTER V

37 SALES AND USE TAX ACT § ADMINISTRATION OF
38 RETAILERS NOT REGISTERED UNDER THE AGREEMENT AND OF
39 CONSUMERS OBLIGATED TO PAY USE TAX DIRECTLY

40 Sec. 115. NEW SECTION. 423.13 PURPOSE OF THIS
41 SUBCHAPTER.

42 The purpose of this subchapter is to provide for
43 the administration and collection of sales or use tax
44 on the part of retailers who are not registered under
45 the agreement and for the collection of use tax on the
46 part of consumers who are obligated to pay that tax
47 directly. Any application of the sections of this
48 subchapter to retailers registered under the agreement
49 is only by way of incorporation by reference into
50 subchapter VI of this chapter.

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1 Sec. 116. NEW SECTION. 423.14 SALES AND USE TAX
2 COLLECTION.

3 1. a. Sales tax, other than that described in
4 paragraph "c", shall be collected by sellers who are
5 retailers or by their agents. Sellers or their agents
6 shall, as far as practicable, add the sales tax, or
7 the average equivalent thereof, to the sales price or
8 charge, less trade-ins allowed and taken and when
9 added such tax shall constitute a part of the sales
10 price or charge, shall be a debt from consumer or user
11 to seller or agent until paid, and shall be
12 recoverable at law in the same manner as other debts.

13 b. In computing the tax to be collected as the
14 result of any transaction, the tax computation must be
15 carried to the third decimal place. Whenever the
16 third decimal place is greater than four, the tax must

17 be rounded up to the next whole cent; whenever the
18 third decimal place is four or less, the tax must be
19 rounded downward to a whole cent. Sellers may elect
20 to compute the tax due on transactions on an item or
21 invoice basis. Sellers are not required to use a
22 bracket system.

23 c. The tax imposed upon those sales of motor
24 vehicle fuel which are subject to tax and refund under
25 chapter 452A shall be collected by the state treasurer
26 by way of deduction from refunds otherwise allowable
27 under that chapter. The treasurer shall transfer the
28 amount of such deductions from the motor vehicle fuel
29 tax fund to the special tax fund.

30 2. Use tax shall be collected in the following
31 manner:

32 a. The tax upon the use of all vehicles subject to
33 registration or subject only to the issuance of a
34 certificate of title or the tax upon the use of
35 manufactured housing shall be collected by the county
36 treasurer or the state department of transportation
37 pursuant to sections 423.26 and 423.27. The county
38 treasurer shall retain one dollar from each tax
39 payment collected, to be credited to the county
40 general fund.

41 b. The tax upon the use of all tangible personal
42 property other than that enumerated in paragraph "a",
43 which is sold by a seller who is a retailer
44 maintaining a place of business in this state, or by
45 such other retailer or agent as the director shall
46 authorize pursuant to section 423.30, shall be
47 collected by the retailer or agent and remitted to the
48 department, pursuant to the provisions of paragraph
49 "e", and sections 423.24, 423.29, 423.30, 423.32, and
50 423.33.

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1 c. The tax upon the use of all tangible personal
2 property not paid pursuant to paragraphs "a" and "b"
3 shall be paid to the department directly by any person
4 using the property within this state, pursuant to the
5 provisions of section 423.34.

6 d. The tax imposed on the use of services
7 enumerated in section 423.5 shall be collected,
8 remitted, and paid to the department of revenue and
9 finance in the same manner as use tax on tangible
10 personal property is collected, remitted, and paid
11 under this subchapter.

12 e. All persons obligated by paragraph "a", "b", or
13 "d", to collect use tax shall, as far as practicable,
14 add that tax, or the average equivalent thereof, to
15 the purchase price, less trade-ins allowed and taken,

16 and when added the tax shall constitute a part of the
17 purchase price. Use tax which this section requires
18 to be collected by a retailer and any tax collected
19 pursuant to this section by a retailer shall
20 constitute a debt owed by the retailer to this state.
21 Tax which must be paid directly to the department,
22 pursuant to paragraph "c" or "d", is to be computed
23 and added by the consumer or user to the purchase
24 price in the same manner as this paragraph requires a
25 seller to compute and add the tax. The tax shall be a
26 debt from the consumer or user to the department until
27 paid, and shall be recoverable at law in the same
28 manner as other debts.

29 Sec. 117. NEW SECTION. 423.15 GENERAL SOURCING
30 RULES.

31 All sellers obligated to collect Iowa sales or use
32 tax shall use the standards set out in this section to
33 determine where sales of products occur, excluding
34 sales enumerated in section 423.16. These provisions
35 apply regardless of the characterization of a product
36 as tangible personal property, a digital good, or a
37 service, excluding telecommunications services. This
38 section only applies to determine a seller's
39 obligation to pay or collect and remit a sales or use
40 tax with respect to the seller's sale of a product.
41 This section does not affect the obligation of a
42 purchaser or lessee to remit tax on the use of the
43 product to the taxing jurisdictions in which the use
44 occurs. A seller's obligation to collect Iowa sales
45 tax or Iowa use tax only occurs if the sale is sourced
46 to this state. The application of whether Iowa sales
47 tax applies to sales sourced to Iowa depends upon
48 where the sale is consummated by delivery.

49 1. Sales, excluding leases or rentals other than
50 leases or rentals set out in subsection 2, of products

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1 shall be sourced as follows.

2 a. When the product is received by the purchaser
3 at a business location of the seller, the sale is
4 sourced to that business location.

5 b. When the product is not received by the
6 purchaser at a business location of the seller, the
7 sale is sourced to the location where receipt by the
8 purchaser or the purchaser's donee, designated as such
9 by the purchaser, occurs, including the location
10 indicated by instructions for delivery to the
11 purchaser or donee, known to the seller.

12 c. When paragraphs "a" and "b" do not apply, the
13 sale is sourced to the location indicated by an
14 address for the purchaser that is available from the

15 business records of the seller that are maintained in
16 the ordinary course of the seller's business when use
17 of this address does not constitute bad faith.

18 d. When paragraphs "a", "b", and "c" do not apply,
19 the sale is sourced to the location indicated by an
20 address for the purchaser obtained during the
21 consummation of the sale, including the address of a
22 purchaser's payment instrument, if no other address is
23 available, when use of this address does not
24 constitute bad faith.

25 e. When paragraphs "a", "b", "c", and "d" do not
26 apply, including the circumstance where the seller is
27 without sufficient information to apply the previous
28 rules, then the location will be determined by the
29 address from which tangible personal property was
30 shipped, from which the digital good or the computer
31 software delivered electronically was first available
32 for transmission by the seller, or from which the
33 service was provided disregarding for these purposes
34 any location that merely provided the digital transfer
35 of the product sold.

36 2. The lease or rental of tangible personal
37 property, other than property identified in subsection
38 3 or section 423.16, shall be sourced as follows:

39 a. For a lease or rental that requires recurring
40 periodic payments, the first periodic payment is
41 sourced the same as a retail sale in accordance with
42 the provisions of subsection 1. Periodic payments
43 made subsequent to the first payment are sourced to
44 the primary property location for each period covered
45 by the payment. The primary property location shall
46 be as indicated by an address for the property
47 provided by the lessee that is available to the lessor
48 from its records maintained in the ordinary course of
49 business, when use of this address does not constitute
50 bad faith. The property location shall not be altered

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1 by intermittent use at different locations, such as
2 use of business property that accompanies employees on
3 business trips and service calls.

4 b. For a lease or rental that does not require
5 recurring periodic payments, the payment is sourced
6 the same as a retail sale in accordance with the
7 provisions of subsection 1.

8 c. This subsection does not affect the imposition
9 or computation of sales or use tax on leases or
10 rentals based on a lump sum or accelerated basis, or
11 on the acquisition of property for lease.

12 3. The retail sale, including lease or rental, of
13 transportation equipment shall be sourced the same as

14 a retail sale in accordance with the provisions of
15 subsection 1, notwithstanding the exclusion of lease
16 or rental in that subsection. "Transportation
17 equipment" means any of the following:

18 a. Locomotives or railcars that are utilized for
19 the carriage of persons or property in interstate
20 commerce.

21 b. Trucks and truck-tractors with a gross vehicle
22 weight rating of ten thousand one pounds or greater,
23 trailers, semitrailers, or passenger buses that meet
24 both of the following requirements:

25 (1) Are registered through the international
26 registration plan.

27 (2) Are operated under authority of a carrier
28 authorized and certificated by the United States
29 department of transportation or another federal
30 authority to engage in the carriage of persons or
31 property in interstate commerce.

32 c. Aircraft that are operated by air carriers
33 authorized and certificated by the United States
34 department of transportation or another federal or a
35 foreign authority to engage in the carriage of persons
36 or property in interstate or foreign commerce.

37 d. Containers designed for use on and component
38 parts attached or secured on the items set forth in
39 paragraphs "a" through "c".

40 Sec. 118. NEW SECTION. 423.16 TRANSACTIONS TO
41 WHICH THE GENERAL SOURCING RULES DO NOT APPLY.

42 Section 423.15 does not apply to sales or use taxes
43 levied on the following:

44 1. The retail sale or transfer of watercraft,
45 modular homes, manufactured housing, or mobile homes,
46 and the retail sale, excluding lease or rental, of
47 motor vehicles, trailers, semitrailers, or aircraft
48 that do not qualify as transportation equipment, as
49 defined in section 423.15, subsection 3.

50 2. The lease or rental of motor vehicles,

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1 trailers, semitrailers, or aircraft that do not
2 qualify as transportation equipment, as defined in
3 section 423.15, subsection 3, which shall be sourced
4 in accordance with section 423.17.

5 3. Transactions to which the multiple points use
6 exemption is applicable, which shall be sourced in
7 accordance with section 423.18.

8 4. Transactions to which direct mail sourcing is
9 applicable, which shall be sourced in accordance with
10 section 423.19.

11 5. Telecommunications services, as set out in
12 section 423.20, which shall be sourced in accordance

13 with section 423.20, subsection 2.

14 Sec. 119. NEW SECTION. 423.17 SOURCING RULES FOR
15 VARIOUS TYPES OF LEASED OR RENTED EQUIPMENT WHICH IS
16 NOT TRANSPORTATION EQUIPMENT.

17 The lease or rental of motor vehicles, trailers,
18 semitrailers, or aircraft that do not qualify as
19 transportation equipment, as defined in section
20 423.15, subsection 3, shall be sourced as follows:

21 1. For a lease or rental that requires recurring
22 periodic payments, each periodic payment is sourced to
23 the primary property location. The primary property
24 location shall be as indicated by an address for the
25 property provided by the lessee that is available to
26 the lessor from its records maintained in the ordinary
27 course of business, when use of this address does not
28 constitute bad faith. This location shall not be
29 altered by intermittent use at different locations.

30 2. For a lease or rental that does not require
31 recurring periodic payments, the payment is sourced
32 the same as a retail sale in accordance with the
33 provisions of section 423.15, subsection 1.

34 3. This section does not affect the imposition or
35 computation of sales or use tax on leases or rentals
36 based on a lump sum or accelerated basis, or on the
37 acquisition of property for lease.

38 Sec. 120. NEW SECTION. 423.18 MULTIPLE POINTS OF
39 USE EXEMPTION FORMS.

40 a business purchaser that is not a holder of a
41 direct pay tax permit pursuant to section 423.36 that
42 knows at the time of its purchase of a digital good,
43 computer software delivered electronically, or a
44 service that the digital good, computer software
45 delivered electronically, or service will be
46 concurrently available for use in more than one
47 jurisdiction shall deliver to the seller in
48 conjunction with its purchase a "multiple points of
49 use" or "MPU" exemption form disclosing this fact.

50 1. Upon receipt of the MPU exemption form, the

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1 seller is relieved of all obligation to collect, pay,
2 or remit the applicable tax and the purchaser shall be
3 obligated to collect, pay, or remit the applicable tax
4 on a direct pay basis.

5 2. A purchaser delivering the MPU exemption form
6 may use any reasonable, but consistent and uniform,
7 method of apportionment that is supported by the
8 purchaser's business records as they exist at the time
9 of the consummation of the sale.

10 3. The MPU exemption form will remain in effect
11 for all future sales by the seller to the purchaser

12 except as to the subsequent sale's specific
13 apportionment that is governed by the principle of
14 subsection 2 and the facts existing at the time of the
15 sale until it is revoked in writing.

16 4. A holder of a direct pay tax permit under
17 section 423.36 shall not be required to deliver an MPU
18 exemption form to the seller. A direct pay tax permit
19 holder shall follow the provisions of subsection 2 in
20 apportioning the tax due on a digital good, computer
21 software delivered electronically, or service that
22 will be concurrently available for use in more than
23 one jurisdiction.

24 Sec. 121. NEW SECTION. 423.19 DIRECT MAIL
25 SOURCING.

26 1. Notwithstanding section 423.15, a purchaser of
27 direct mail that is not a holder of a direct pay tax
28 permit pursuant to section 423.36 shall provide to the
29 seller in conjunction with the purchase either a
30 direct mail form or information to show the
31 jurisdictions to which the direct mail is delivered to
32 recipients.

33 a. Upon receipt of the direct mail form, the
34 seller is relieved of all obligations to collect, pay,
35 or remit the applicable tax and the purchaser is
36 obligated to pay or remit the applicable tax on a
37 direct pay basis. A direct mail form shall remain in
38 effect for all future sales of direct mail by the
39 seller to the purchaser until it is revoked in
40 writing.

41 b. Upon receipt of information from the purchaser
42 showing the jurisdictions to which the direct mail is
43 delivered to recipients, the seller shall collect the
44 tax according to the delivery information provided by
45 the purchaser. In the absence of bad faith, the
46 seller is relieved of any further obligation to
47 collect tax on any transaction where the seller has
48 collected tax pursuant to the delivery information
49 provided by the purchaser.

50 2. If the purchaser of direct mail does not have a

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1 direct pay tax permit and does not provide the seller
2 with either a direct mail form or delivery
3 information, as required by subsection 1, the seller
4 shall collect the tax according to section 423.15,
5 subsection 1, paragraph "e". Nothing in this
6 subsection shall limit a purchaser's obligation for
7 sales or use tax to any state to which the direct mail
8 is delivered.

9 3. If a purchaser of direct mail provides the
10 seller with documentation of direct pay authority, the

11 purchaser shall not be required to provide a direct
12 mail form or delivery information to the seller.
13 Sec. 122. NEW SECTION. 423.20 TELECOMMUNICATIONS
14 SERVICE SOURCING.

15 1. As used in this section:

16 a. "Air-to-ground radiotelephone service" means a
17 radio service, as that term is used in 47 C.F.R. }
18 22.99, in which common carriers are authorized to
19 offer and provide radio telecommunications service for
20 hire to subscribers in aircraft.

21 b. "Call-by-call basis" means any method of
22 charging for the telecommunications service where the
23 price is measured by individual calls.

24 c. "Communications channel" means a physical or
25 virtual path of communications over which signals are
26 transmitted between or among customer channel
27 termination points.

28 d. "Customer" means the person or entity that
29 contracts with the seller of the telecommunications
30 service. If the end user of the telecommunications
31 service is not the contracting party, the end user of
32 the telecommunications service is the customer of the
33 telecommunications service, but this sentence only
34 applies for the purpose of sourcing sales of the
35 telecommunications service under this section.

36 "Customer" does not include a reseller of a
37 telecommunications service or for mobile
38 telecommunications service of a serving carrier under
39 an agreement to serve the customer outside the home
40 service provider's licensed service area.

41 e. "Customer channel termination point" means the
42 location where the customer either inputs or receives
43 the communications.

44 f. "End user" means the person who utilizes the
45 telecommunications service. In the case of an entity,
46 "end user" means the individual who utilizes the
47 service on behalf of the entity.

48 g. "Home service provider" means the same as that
49 term is defined in the federal Mobile
50 Telecommunications Sourcing Act, Pub. L. No. 106-252,

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1 4 U.S.C. § 124(5).

2 h. "Mobile telecommunications service" means the
3 same as that term is defined in federal Mobile
4 Telecommunications Sourcing Act, Pub. L. No. 106-252,
5 4 U.S.C. } 124(7).

6 i. "Place of primary use" means the street address
7 representative of where the customer's use of the
8 telecommunications service primarily occurs, which
9 must be the residential street address or the primary

10 business street address of the customer. In the case
11 of mobile telecommunications service, "place of
12 primary use" must be within the licensed service area
13 of the home service provider.

14 j. "Postpaid calling service" means the
15 telecommunications service obtained by making a
16 payment on a call-by-call basis either through the use
17 of a credit card or payment mechanism such as a bank
18 card, travel card, credit card, or debit card, or by
19 charge made to a telephone number which is not
20 associated with the origination or termination of the
21 telecommunications service. A "postpaid calling
22 service" includes a telecommunications service that
23 would be a prepaid calling service except it is not
24 exclusively a telecommunications service.

25 k. "Prepaid calling service" means the right to
26 access exclusively telecommunications services, which
27 must be paid for in advance and which enables the
28 origination of calls using an access number or
29 authorization code, whether manually or electronically
30 dialed, and that is sold in predetermined units or
31 dollars of which the amount declines with use in a
32 known amount.

33 l. "Private communication service" means a
34 telecommunications service that entitles the customer
35 to exclusive or priority use of a communications
36 channel or group of channels between or among
37 termination points, regardless of the manner in which
38 such channel or channels are connected, and includes
39 switching capacity, extension lines, stations, and any
40 other associated services that are provided in
41 connection with the use of such channel or channels.

42 m. "Service address" means one of the following:

43 (1) The location of the telecommunications
44 equipment to which a customer's call is charged and
45 from which the call originates or terminates,
46 regardless of where the call is billed or paid.

47 (2) If the location in subparagraph (1) is not
48 known, "service address" means the origination point
49 of the signal of the telecommunications service first
50 identified by either the seller's telecommunications

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1 system or in information received by the seller from
2 its service provider, where the system used to
3 transport such signals is not that of the seller.

4 (3) If the locations in subparagraphs (1) and (2)
5 are not known, the "service address" means the
6 location of the customer's place of primary use.

7 2. Sales of telecommunications services shall be
8 sourced in the following manner:

- 9 a. Except for the defined telecommunications
10 services in paragraph "c", the sale of
11 telecommunications services sold on a call-by-call
12 basis shall be sourced to one of the following:
13 (1) Each level of taxing jurisdiction where the
14 call originates and terminates in that jurisdiction.
15 (2) Each level of taxing jurisdiction where the
16 call either originates or terminates and in which the
17 service address is also located.
- 18 b. Except for the defined telecommunications
19 services in paragraph "c", a sale of
20 telecommunications services sold on a basis other than
21 a call-by-call basis is sourced to the customer's
22 place of primary use.
- 23 c. Sale of the following telecommunications
24 services shall be sourced to each level of taxing
25 jurisdiction as follows:
26 (1) a sale of mobile telecommunications services
27 other than air-to-ground radiotelephone service or
28 prepaid calling service is sourced to the customer's
29 place of primary use as required by the federal Mobile
30 Telecommunications Sourcing Act.
31 (2) a sale of postpaid calling service is sourced
32 to the origination point of the telecommunications
33 signal as first identified by either of the following:
34 (a) The seller's telecommunications system.
35 (b) Information received by the seller from its
36 service provider, where the system used to transport
37 such signals is not that of the seller.
38 (3) a sale of prepaid calling service is sourced
39 in accordance with section 423.15. However, in the
40 case of a sale of mobile telecommunications services
41 that is a prepaid telecommunications service, the rule
42 provided in section 423.15, subsection 1, paragraph
43 "e", shall include as an option the location
44 associated with the mobile telephone number.
- 45 (4) a sale of a private telecommunications service
46 is sourced as follows:
47 (a) Service for a separate charge related to a
48 customer channel termination point is sourced to each
49 level of jurisdiction in which such customer channel
50 termination point is located.

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- 1 (b) Service where all customer termination points
2 are located entirely within one jurisdiction or level
3 of jurisdiction is sourced in such jurisdiction in
4 which the customer channel termination points are
5 located.
- 6 (c) Service for segments of a channel between two
7 customer channel termination points located in

8 different jurisdictions and which segments of a
9 channel are separately charged is sourced fifty
10 percent in each level of jurisdiction in which the
11 customer channel termination points are located.

12 (d) Service for segments of a channel located in
13 more than one jurisdiction or levels of jurisdiction
14 and which segments are not separately billed is
15 sourced in each jurisdiction based on the percentage
16 determined by dividing the number of customer channel
17 termination points in such jurisdiction by the total
18 number of customer channel termination points.

19 Sec. 123. NEW SECTION. 423.21 BAD DEBT
20 DEDUCTIONS.

21 1. For the purposes of this section, "bad debt"
22 means an amount properly calculated pursuant to
23 section 166 of the Internal Revenue Code then adjusted
24 to exclude financing charges or interest, sales or use
25 taxes charged on the purchase price, uncollectible
26 amounts on property that remain in the possession of
27 the seller until the full purchase price is paid,
28 expenses incurred in attempting to collect any debt,
29 and repossessed property.

30 2. In computing the amount of tax due, a seller
31 may deduct bad debts from the total amount upon which
32 the tax is calculated for any return. Any deduction
33 taken or refund paid which is attributed to bad debts
34 shall not include interest.

35 3. A seller may deduct bad debts on the return for
36 the period during which the bad debt is written off as
37 uncollectible in the seller's books and records and is
38 eligible to be deducted for federal income tax
39 purposes. For purposes of this subsection, a seller
40 who is not required to file federal income tax returns
41 may deduct a bad debt on a return filed for the period
42 in which the bad debt is written off as uncollectible
43 in the seller's books and records and would be
44 eligible for a bad debt deduction for federal income
45 tax purposes if the seller were required to file a
46 federal income tax return.

47 4. If a deduction is taken for a bad debt and the
48 seller subsequently collects the debt in whole or in
49 part, the tax on the amount so collected must be paid
50 and reported on the return filed for the period in

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1 which the collection is made.

2 5. A seller may obtain a refund of tax on any
3 amount of bad debt that exceeds the amount of taxable
4 sales within the period allowed for refund claims by
5 section 423.47. However, the period allowed for
6 refund claims shall be measured from the due date of

7 the return on which the bad debt could first be
8 claimed.

9 6. For the purposes of computing a bad debt
10 deduction or reporting a payment received on a
11 previously claimed bad debt, any payments made on a
12 debt or account shall be applied first to the price of
13 the property or service and tax thereon,
14 proportionally, and secondly to interest, service
15 charges, and any other charges.

16 Sec. 124. NEW SECTION. 423.22 TAXATION IN
17 ANOTHER STATE.

18 If any person who causes tangible personal property
19 to be brought into this state or who uses in this
20 state services enumerated in section 423.2 has already
21 paid a tax in another state in respect to the sale or
22 use of the property or the performance of the service,
23 or an occupation tax in respect to the property or
24 service, in an amount less than the tax imposed by
25 subchapter II or III, the provisions of those
26 subchapters shall apply, but at a rate measured by the
27 difference only between the rate fixed by subchapter
28 II or III and the rate by which the previous tax on
29 the sale or use, or the occupation tax, was computed.
30 If the tax imposed and paid in the other state is
31 equal to or more than the tax imposed by those
32 subchapters, then a tax is not due in this state on
33 the personal property or service.

34 Sec. 125. NEW SECTION. 423.23 SELLERS'
35 AGREEMENTS.

36 Agreements between competing sellers, or the
37 adoption of appropriate rules and regulations by
38 organizations or associations of sellers to provide
39 uniform methods for adding sales or use tax or the
40 average equivalent thereof, and which do not involve
41 price-fixing agreements otherwise unlawful, are
42 expressly authorized and shall be held not in
43 violation of chapter 553 or other antitrust laws of
44 this state. The director shall cooperate with
45 sellers, organizations, or associations in formulating
46 agreements and rules.

47 Sec. 126. NEW SECTION. 423.24 ABSORBING TAX
48 PROHIBITED.

49 a seller shall not advertise or hold out or state
50 to the public or to any purchaser, consumer, or user,

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1 directly or indirectly, that the taxes or any parts
2 thereof imposed by subchapter II or III will be
3 assumed or absorbed by the seller or the taxes will
4 not be added to the sales price of the property sold,
5 or if added that the taxes or any part thereof will be

6 refunded. Any person violating any of the provisions
7 of this section within this state is guilty of a
8 simple misdemeanor.

9 Sec. 127. NEW SECTION. 423.25 DIRECTOR'S POWER
10 TO ADOPT RULES.

11 The director shall have the power to adopt rules
12 for adding the taxes imposed by subchapters II and
13 III, or the average equivalents thereof, by providing
14 different methods applying uniformly to retailers
15 within the same general classification for the purpose
16 of enabling the retailers to add and collect, as far
17 as practicable, the amounts of those taxes.

18 Sec. 128. NEW SECTION. 423.26 VEHICLES SUBJECT
19 TO REGISTRATION OR ONLY TO THE ISSUANCE OF TITLE -
20 MANUFACTURED HOUSING.

21 The use tax imposed upon the use of vehicles
22 subject to registration or subject only to the
23 issuance of a certificate of title or imposed upon the
24 use of manufactured housing shall be paid by the owner
25 of the vehicle or of the manufactured housing to the
26 county treasurer or the state department of
27 transportation from whom the registration receipt or
28 certificate of title is obtained. A registration
29 receipt for a vehicle subject to registration or
30 certificate of title shall not be issued until the tax
31 has been paid. The county treasurer or the state
32 department of transportation shall require every
33 applicant for a registration receipt for a vehicle
34 subject to registration or certificate of title to
35 supply information as the county treasurer or the
36 director deems necessary as to the time of purchase,
37 the purchase price, installed purchase price, and
38 other information relative to the purchase of the
39 vehicle or manufactured housing. On or before the
40 tenth day of each month, the county treasurer or the
41 state department of transportation shall remit to the
42 department the amount of the taxes collected during
43 the preceding month.

44 a person who willfully makes a false statement in
45 regard to the purchase price of a vehicle subject to
46 taxation under this section is guilty of a fraudulent
47 practice. A person who willfully makes a false
48 statement in regard to the purchase price of such a
49 vehicle with the intent to evade the payment of tax
50 shall be assessed a penalty of seventy-five percent of

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1 the amount of tax unpaid and required to be paid on
2 the actual purchase price less trade-in allowance.

3 Sec. 129. NEW SECTION. 423.27 MOTOR VEHICLE
4 LEASE TAX.

5 1. The use tax imposed upon the use of leased
6 vehicles subject to registration under chapter 321,
7 with gross vehicle weight ratings of less than sixteen
8 thousand pounds, excluding motorcycles and motorized
9 bicycles, which are leased by a lessor licensed
10 pursuant to chapter 321F for a period of twelve months
11 or more shall be paid by the owner of the vehicle to
12 the county treasurer or state department of
13 transportation from whom the registration receipt or
14 certificate of title is obtained. A registration
15 receipt for a vehicle subject to registration or
16 issuance of a certificate of title shall not be issued
17 until the tax is paid in the initial instance. Tax on
18 the lease transaction that does not require titling or
19 registration of the vehicle shall be remitted to the
20 department. Tax and the reporting of tax due to the
21 department shall be remitted on or before fifteen days
22 from the last day of the month that the vehicle lease
23 tax becomes due. Failure to timely report or remit
24 any of the tax when due shall result in a penalty and
25 interest being imposed on the tax due pursuant to
26 section 423.40, subsection 1, and section 423.42,
27 subsection 1.

28 2. The amount subject to tax shall be computed on
29 each separate lease transaction by taking the total of
30 the lease payments, plus the down payment, and
31 excluding all of the following:

- 32 a. Title fee.
 - 33 b. Registration fees.
 - 34 c. Vehicle lease tax pursuant to this section.
 - 35 d. Federal excise taxes attributable to the sale
36 of the vehicle to the owner or to the lease of the
37 vehicle by the owner.
 - 38 e. Optional service or warranty contracts subject
39 to tax pursuant to section 423.2, subsection 1.
 - 40 f. Insurance.
 - 41 g. Manufacturer's rebate.
 - 42 h. Refundable deposit.
 - 43 i. Finance charges, if any, on items listed in
44 paragraphs "a" through "h".
- 45 If any or all of the items in paragraphs "a"
46 through "i" are excluded from the taxable lease price,
47 the owner shall maintain adequate records of the
48 amounts of those items. If the parties to a lease
49 enter into an agreement providing that the tax imposed
50 under this statute is to be paid by the lessee or

1 included in the monthly lease payments to be paid by
2 the lessee, the total cost of the tax shall not be
3 included in the computation of lease price for the

4 purpose of taxation under this section. The county
5 treasurer, the state department of transportation, or
6 the department of revenue and finance shall require
7 every applicant for a registration receipt for a
8 vehicle subject to tax under this section to supply
9 information as the county treasurer or director deems
10 necessary as to the date of the lease transaction, the
11 lease price, and other information relative to the
12 lease of the vehicle.

13 3. On or before the tenth day of each month, the
14 county treasurer or the state department of
15 transportation shall remit to the department the
16 amount of the taxes collected during the preceding
17 month.

18 4. If the lease is terminated prior to the
19 termination date contained in the lease agreement, no
20 refund shall be allowed for tax previously paid under
21 this section, except as provided in section 322G.4.

22 Sec. 130. NEW SECTION. 423.28 SALES TAX REPORT
23 - DEDUCTION.

24 Motor vehicle or trailer dealers, in making their
25 reports and returns to the department for the purpose
26 of paying the sales tax, shall be permitted to deduct
27 all sales prices from retail sales of vehicles subject
28 to registration or subject only to the issuance of a
29 certificate of title. Sales prices from sales of
30 vehicles subject to registration or subject only to
31 the issuance of a certificate of title are exempted
32 from the sales tax, but, if required by the director,
33 the sales prices shall be included in the returns made
34 by motor vehicle or trailer dealers under subchapter
35 II, and proper deductions taken pursuant to this
36 section.

37 Sec. 131. NEW SECTION. 423.29 COLLECTIONS BY
38 SELLERS.

39 Every seller who is a retailer and who is making
40 taxable sales of tangible personal property in Iowa
41 shall, at the time of selling the property, collect
42 the sales tax. Every seller who is a retailer
43 maintaining a place of business in this state and
44 selling tangible personal property for use in Iowa
45 shall, at the time of making the sale, whether within
46 or without the state, collect the use tax. Sellers
47 required to collect sales or use tax shall give to any
48 purchaser a receipt for the tax collected in the
49 manner and form prescribed by the director.

50 Every seller who is a retailer furnishing taxable

1 services in Iowa and every seller who is a retailer
2 maintaining a place of business in this state and

3 furnishing taxable services in Iowa or services
4 outside Iowa if the product or result of the service
5 is used in Iowa shall be subject to the provisions of
6 the preceding paragraph.

7 Sec. 132. NEW SECTION. 423.30 FOREIGN SELLERS
8 NOT REGISTERED UNDER THE AGREEMENT.

9 The director may, upon application, authorize the
10 collection of the use tax by any seller who is a
11 retailer not maintaining a place of business within
12 this state and not registered under the agreement,
13 who, to the satisfaction of the director, furnishes
14 adequate security to ensure collection and payment of
15 the tax. Such sellers shall be issued, without
16 charge, permits to collect tax subject to any
17 regulations which the director shall prescribe. When
18 so authorized, it shall be the duty of foreign sellers
19 to collect the tax upon all tangible personal property
20 sold, to the retailer's knowledge, for use within this
21 state, in the same manner and subject to the same
22 requirements as a retailer maintaining a place of
23 business within this state. The authority and permit
24 may be canceled when, at any time, the director
25 considers the security inadequate, or that tax can
26 more effectively be collected from the person using
27 property in this state.

28 The discretionary power granted in this section is
29 extended to apply in the case of foreign retailers
30 furnishing services enumerated in section 423.2.

31 Sec. 133. NEW SECTION. 423.31 FILING OF SALES
32 TAX RETURNS AND PAYMENT OF SALES TAX.

33 1. Each person subject to this section and section
34 423.36 and in accordance with the provisions of this
35 section and section 423.36 shall, on or before the
36 last day of the month following the close of each
37 calendar quarter during which such person is or has
38 become or ceased being subject to the provisions of
39 this section and section 423.36, make, sign, and file
40 a return for the calendar quarter in the form as may
41 be required. Returns shall show information relating
42 to sales prices including goods, wares, and services
43 converted to the use of such person, the amounts of
44 sales prices excluded and exempt from the tax, the
45 amounts of sales prices subject to tax, a calculation
46 of tax due, and any other information for the period
47 covered by the return as may be required. Returns
48 shall be signed by the retailer or the retailer's
49 authorized agent and must be certified by the retailer
50 to be correct in accordance with forms and rules

2 2. Persons required to file, or committed to file
3 by reason of voluntary action or by order of the
4 department, deposits of taxes due under this
5 subchapter shall be entitled to take credit against
6 the total quarterly amount of tax due such amount as
7 shall have been deposited by such persons during that
8 calendar quarter. The balance remaining due after
9 such credit for deposits shall be entered on the
10 return. However, such person may be granted an
11 extension of time not exceeding thirty days for filing
12 the quarterly return, upon a proper showing of
13 necessity. If an extension is granted, such person
14 shall have paid by the twentieth day of the month
15 following the close of such quarter ninety percent of
16 the estimated tax due.

17 3. The sales tax forms prescribed by the director
18 shall be referred to as "retailers tax deposit".
19 Deposit forms shall be signed by the retailer or the
20 retailer's duly authorized agent, and shall be duly
21 certified by the retailer or agent to be correct. The
22 director may authorize incorporated banks and trust
23 companies or other depositories authorized by law
24 which are depositories or financial agents of the
25 United States, or of this state, to receive any sales
26 tax imposed under this chapter, in the manner, at the
27 times, and under the conditions the director
28 prescribes. The director shall prescribe the manner,
29 times, and conditions under which the receipt of the
30 tax by those depositories is to be treated as payment
31 of the tax to the department.

32 4. Every retailer at the time of making any return
33 required by this section shall compute and pay to the
34 department the tax due for the preceding period. The
35 tax on sales prices from the sale or rental of
36 tangible personal property under a consumer rental
37 purchase agreement as defined in section 537.3604,
38 subsection 8, is payable in the tax period of receipt.

39 5. Upon making application and receiving approval
40 from the director, a parent corporation and its
41 affiliated corporations that make retail sales of
42 tangible personal property or taxable enumerated
43 services may make deposits and file a consolidated
44 sales tax return for the affiliated group, pursuant to
45 rules adopted by the director. A parent corporation
46 and each affiliate corporation that files a
47 consolidated return are jointly and severally liable
48 for all tax, penalty, and interest found due for the
49 tax period for which a consolidated return is filed or
50 required to be filed.

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1 a business required to file a consolidated sales
2 tax return shall file a form entitled "schedule of
3 consolidated business locations" with its quarterly
4 sales tax return that shows the taxpayer's
5 consolidated permit number, the permit number for each
6 Iowa business location, the state sales tax amount by
7 business location, and the amount of state sales tax
8 due on goods consumed that are not assigned to a
9 specific business location. Consolidated quarterly
10 sales tax returns that are not accompanied by the
11 schedule of consolidated business locations form are
12 considered incomplete and are subject to penalty under
13 section 421.27.

14 6. If necessary or advisable in order to insure
15 the payment of the tax, the director may require
16 returns and payment of the tax to be made for other
17 than quarterly periods, the provisions of this
18 section, or other provision to the contrary
19 notwithstanding.

20 Sec. 134. NEW SECTION. 423.32 FILING OF USE TAX
21 RETURNS AND PAYMENT OF USE TAX.

22 1. A retailer maintaining a place of business in
23 this state who is required to collect or a user who is
24 required to pay the use tax or a foreign retailer
25 authorized, pursuant to section 423.30, to collect the
26 use tax, shall remit to the department the amount of
27 tax on or before the last day of the month following
28 each calendar quarterly period. However, a retailer
29 who collects or owes more than fifteen hundred dollars
30 in use taxes in a month shall deposit with the
31 department or in a depository authorized by law and
32 designated by the director, the amount collected or
33 owed, with a deposit form for the month as prescribed
34 by the director.

35 a. The deposit form is due on or before the
36 twentieth day of the month following the month of
37 collection, except a deposit is not required for the
38 third month of the calendar quarter, and the total
39 quarterly amount, less the amounts deposited for the
40 first two months of the quarter, is due with the
41 quarterly report on the last day of the month
42 following the month of collection. At that time, the
43 retailer shall file with the department a return for
44 the preceding quarterly period in the form prescribed
45 by the director showing the purchase price of the
46 tangible personal property sold by the retailer during
47 the preceding quarterly period, the use of which is
48 subject to the use tax imposed by this chapter, and
49 other information the director deems necessary for the
50 proper administration of the use tax.

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1 b. The return shall be accompanied by a remittance
2 of the use tax for the period covered by the return.
3 If necessary in order to ensure payment to the state
4 of the tax, the director may in any or all cases
5 require returns and payments to be made for other than
6 quarterly periods. The director, upon request and a
7 proper showing of necessity, may grant an extension of
8 time not to exceed thirty days for making any return
9 and payment. Returns shall be signed, in accordance
10 with forms and rules prescribed by the director, by
11 the retailer or the retailer's authorized agent, and
12 shall be certified by the retailer or agent to be
13 correct.

14 2. If it is reasonably expected, as determined by
15 rules prescribed by the director, that a retailer's
16 annual sales or use tax liability will not exceed one
17 hundred twenty dollars for a calendar year, the
18 retailer may request and the director may grant
19 permission to the retailer, in lieu of the quarterly
20 filing and remitting requirements set out elsewhere in
21 this section, to file the return required by and remit
22 the sales or use tax due under this section on a
23 calendar-year basis. The return and tax are due and
24 payable no later than January 31 following each
25 calendar year in which the retailer carries on
26 business.

27 3. The director, in cooperation with the
28 department of management, may periodically change the
29 filing and remittance thresholds by administrative
30 rule if in the best interests of the state and
31 taxpayer to do so.

32 Sec. 135. **NEW SECTION. 423.33 LIABILITY OF**
33 **PERSONS OTHER THAN RETAILERS FOR PAYMENT OF SALES OR**
34 **USE TAX.**

35 1. **LIABILITY OF PURCHASER FOR SALES TAX.** If a
36 purchaser fails to pay sales tax to the retailer
37 required to collect the tax, then in addition to all
38 of the rights, obligations, and remedies provided, the
39 tax is payable by the purchaser directly to the
40 department, and sections 423.31, 423.32, 423.37,
41 423.38, 423.39, 423.40, 423.41, and 423.42 apply to
42 the purchaser. For failure to pay, the retailer and
43 purchaser are liable, unless the circumstances
44 described in section 421.60, subsection 2, paragraph
45 "m", or section 423.45, subsection 4, paragraph "b" or
46 "e", or subsection 5, paragraph "c" or "e", are
47 applicable.

48 2. **IMMEDIATE SUCCESSOR LIABILITY FOR SALES OR USE**
49 **TAX.** If a retailer sells the retailer's business or
50 stock of goods or quits the business, the retailer

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1 shall prepare a final return and pay all sales or use
2 tax due within the time required by law. The
3 immediate successor to the retailer, if any, shall
4 withhold a sufficient portion of the purchase price,
5 in money or money's worth, to pay the amount of
6 delinquent tax, interest, or penalty due and unpaid.
7 If the immediate successor of the business or stock of
8 goods intentionally fails to withhold the amount due
9 from the purchase price as provided in this
10 subsection, the immediate successor is personally
11 liable for the payment of delinquent taxes, interest,
12 and penalty accrued and unpaid on account of the
13 operation of the business by the immediate former
14 retailer, except when the purchase is made in good
15 faith as provided in section 421.28. However, a
16 person foreclosing on a valid security interest or
17 retaking possession of premises under a valid lease is
18 not an "immediate successor" for purposes of this
19 section. The department may waive the liability of
20 the immediate successor under this subsection if the
21 immediate successor exercised good faith in
22 establishing the amount of the previous liability.

23 3. EVENT SPONSOR'S LIABILITY FOR SALES TAX. A

24 person sponsoring a flea market or a craft, antique,
25 coin, or stamp show or similar event shall obtain from
26 every retailer selling tangible personal property or
27 taxable services at the event proof that the retailer
28 possesses a valid sales tax permit or secure from the
29 retailer a statement, taken in good faith, that
30 property or services offered for sale are not subject
31 to sales tax. Failure to do so renders a sponsor of
32 the event liable for payment of any sales tax,
33 interest, and penalty due and owing from any retailer
34 selling property or services at the event. Sections
35 423.31, 423.32, 423.37, 423.38, 423.39, 423.40,
36 423.41, and 423.42 apply to the sponsors. For
37 purposes of this subsection, a person sponsoring a
38 flea market or a craft, antique, coin, or stamp show
39 or similar event does not include an organization
40 which sponsors an event less than three times a year
41 or a state, county, or district agricultural fair.

42 Sec. 136. NEW SECTION. 423.34 LIABILITY OF USER.

43 Any person who uses any property or services
44 enumerated in section 423.2 upon which the use tax has
45 not been paid, either to the county treasurer or to a
46 retailer or direct to the department as required by
47 this subchapter, shall be liable for the payment of
48 tax, and shall on or before the last day of the month
49 next succeeding each quarterly period pay the use tax
50 upon all property or services used by the person

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1 during the preceding quarterly period in the manner
2 and accompanied by such returns as the director shall
3 prescribe. All of the provisions of sections 423.32
4 and 423.33 with reference to the returns and payments
5 shall be applicable to the returns and payments
6 required by this section.

7 Sec. 137. NEW SECTION. 423.35 POSTING OF BOND TO
8 SECURE PAYMENT.

9 The director may, when necessary and advisable in
10 order to secure the collection of the sales or use
11 tax, authorize any person subject to either tax, and
12 any retailer required or authorized to collect those
13 taxes pursuant to the provisions of section 423.14, to
14 file with the department a bond, issued by a surety
15 company authorized to transact business in this state
16 and approved by the insurance commissioner as to
17 solvency and responsibility, in an amount as the
18 director may fix, to secure the payment of any tax,
19 interest, or penalties due or which may become due
20 from such person. In lieu of a bond, securities
21 approved by the director, in an amount which the
22 director may prescribe, may be deposited with the
23 department, which securities shall be kept in the
24 custody of the department and may be sold by the
25 director at public or private sale, without notice to
26 the depositor, if it becomes necessary to do so in
27 order to recover any tax, interest, or penalties due.
28 Upon the sale, the surplus, if any, above the amounts
29 due under this chapter shall be returned to the person
30 who deposited the securities.

31 Sec. 138. NEW SECTION. 423.36 PERMITS REQUIRED
32 TO COLLECT SALES OR USE TAX - APPLICATIONS -
33 REVOCATION.

34 1. A person shall not engage in or transact
35 business as a retailer making taxable sales of
36 tangible personal property or furnishing services
37 within this state or as a retailer making taxable
38 sales of tangible personal property or furnishing
39 services for use within this state, unless a permit
40 has been issued to the retailer under this section,
41 except as provided in subsection 6. Every person
42 desiring to engage in or transact business as a
43 retailer shall file with the department an application
44 for a permit to collect sales or use tax. Every
45 application for a sales or use tax permit shall be
46 made upon a form prescribed by the director and shall
47 set forth any information the director may require.
48 The application shall be signed by an owner of the
49 business if a natural person; in the case of a
50 retailer which is an association or partnership, by a

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1 member or partner; and in the case of a retailer which
2 is a corporation, by an executive officer or some
3 person specifically authorized by the corporation to
4 sign the application, to which shall be attached the
5 written evidence of the person's authority.

6 2. To collect sales or use tax, the applicant must
7 have a permit for each place of business in the state
8 of Iowa. The department may deny a permit to an
9 applicant who is substantially delinquent in paying a
10 tax due, or the interest or penalty on the tax,
11 administered by the department at the time of
12 application. If the applicant is a partnership, a
13 permit may be denied if a partner is substantially
14 delinquent in paying any delinquent tax, penalty, or
15 interest. If the applicant is a corporation, a permit
16 may be denied if any officer having a substantial
17 legal or equitable interest in the ownership of the
18 corporation owes any delinquent tax, penalty, or
19 interest.

20 3. The department shall grant and issue to each
21 applicant a permit for each place of business in this
22 state where sales or use tax is collected. A permit
23 is not assignable and is valid only for the person in
24 whose name it is issued and for the transaction of
25 business at the place designated or at a place of
26 relocation within the state if the ownership remains
27 the same.

28 If an applicant is making sales outside Iowa for
29 use in this state or furnishing services outside Iowa,
30 the product or result of which will be used in this
31 state, that applicant shall be issued one use tax
32 permit by the department applicable to these out-of-
33 state sales or services.

34 4. Permits issued under this section are valid and
35 effective until revoked by the department.

36 5. If the holder of a permit fails to comply with
37 any of the provisions of this subchapter or of
38 subchapter II or III or any order or rule of the
39 department adopted under those subchapters or is
40 substantially delinquent in the payment of a tax
41 administered by the department or the interest or
42 penalty on the tax, or if the person is a corporation
43 and if any officer having a substantial legal or
44 equitable interest in the ownership of the corporation
45 owes any delinquent tax of the permit-holding
46 corporation, or interest or penalty on the tax,
47 administered by the department, the director may
48 revoke the permit. The director shall send notice by
49 mail to a permit holder informing that person of the
50 director's intent to revoke the permit and of the

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1 permit holder's right to a hearing on the matter. If
2 the permit holder petitions the director for a hearing
3 on the proposed revocation, after giving ten days'
4 notice of the time and place of the hearing in
5 accordance with section 17A.18, subsection 3, the
6 matter may be heard and a decision rendered. The
7 director may restore permits after revocation. The
8 director shall adopt rules setting forth the period of
9 time a retailer must wait before a permit may be
10 restored or a new permit may be issued. The waiting
11 period shall not exceed ninety days from the date of
12 the revocation of the permit.

13 6. Sellers who are not regularly engaged in
14 selling at retail and do not have a permanent place of
15 business, but who are temporarily engaged in selling
16 from trucks, portable roadside stands, concessionaires
17 at state, county, district, or local fairs, carnivals,
18 or the like, shall report and remit the sales tax on a
19 temporary basis, under rules the director shall
20 provide for the efficient collection of the sales tax.
21 This subsection applies to sellers who are temporarily
22 engaged in furnishing services.

23 Persons engaged in selling tangible personal
24 property or furnishing services shall not be required
25 to obtain or retain a sales tax permit for a place of
26 business at which taxable sales of tangible personal
27 property or taxable performance of services will not
28 occur.

29 7. The provisions of subsection 1, dealing with
30 the lawful right of a retailer to transact business,
31 as applicable, apply to persons having receipts from
32 furnishing services enumerated in section 423.2,
33 except that a person holding a permit pursuant to
34 subsection 1 shall not be required to obtain any
35 separate sales tax permit for the purpose of engaging
36 in business involving the services.

37 8. a. Except as provided in paragraph "b",
38 purchasers, users, and consumers of tangible personal
39 property or enumerated services taxed pursuant to
40 subchapter II or III of this chapter or chapters 423B
41 and 423E may be authorized, pursuant to rules adopted
42 by the director, to remit tax owed directly to the
43 department instead of the tax being collected and paid
44 by the seller. To qualify for a direct pay tax
45 permit, the purchaser, user, or consumer must accrue a
46 tax liability of more than four thousand dollars in
47 tax under subchapters II and III in a semimonthly
48 period and make deposits and file returns pursuant to
49 section 423.31. This authority shall not be granted
50 or exercised except upon application to the director

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1 and then only after issuance by the director of a
2 direct pay tax permit.

3 b. The granting of a direct pay tax permit is not
4 authorized for any of the following:

5 (1) Taxes imposed on the sales, furnishing, or
6 service of gas, electricity, water, heat, pay
7 television service, and communication service.

8 (2) Taxes imposed under sections 423.26 and 423.27
9 and chapter 423C.

10 Sec. 139. NEW SECTION. 423.37 FAILURE TO FILE
11 SALES OR USE TAX RETURNS – INCORRECT RETURNS.

12 1. As soon as practicable after a return is filed
13 and in any event within three years after the return
14 is filed, the department shall examine it, assess and
15 determine the tax due if the return is found to be
16 incorrect, and give notice to the person liable for
17 the tax of the assessment and determination as
18 provided in subsection 2. The period for the
19 examination and determination of the correct amount of
20 tax is unlimited in the case of a false or fraudulent
21 return made with the intent to evade tax or in the
22 case of a failure to file a return.

23 2. If a return required by this subchapter is not
24 filed, or if a return when filed is incorrect or
25 insufficient and the maker fails to file a corrected
26 or sufficient return within twenty days after the same
27 is required by notice from the department, the
28 department shall determine the amount of tax due from
29 information as the department may be able to obtain
30 and, if necessary, may estimate the tax on the basis
31 of external indices, such as number of employees of
32 the person concerned, rentals paid by the person,
33 stock on hand, or other factors. The department shall
34 give notice of the determination to the person liable
35 for the tax. The determination shall fix the tax
36 unless the person against whom it is assessed shall,
37 within sixty days after the giving of notice of the
38 determination, apply to the director for a hearing or
39 unless the taxpayer contests the determination by
40 paying the tax, interest, and penalty and timely
41 filing a claim for refund. At the hearing evidence
42 may be offered to support the determination or to
43 prove that it is incorrect. After the hearing the
44 director shall give notice of the decision to the
45 person liable for the tax.

46 3. The three-year period of limitation provided in
47 subsection 1 may be extended by a taxpayer by signing
48 a waiver agreement form to be provided by the
49 department. The agreement shall stipulate the period
50 of extension and the tax period to which the extension

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1 applies. The agreement shall also provide that a
2 claim for refund may be filed by the taxpayer at any
3 time during the period of extension.

4 Sec. 140. NEW SECTION. 423.38 JUDICIAL REVIEW.

5 1. Judicial review of actions of the director may
6 be sought in accordance with the terms of the Iowa
7 administrative procedure Act.

8 2. For cause and upon a showing by the director
9 that collection of the tax in dispute is in doubt, the
10 court may order the petitioner to file with the clerk
11 a bond for the use of the respondent, with sureties
12 approved by the clerk, in the amount of tax appealed
13 from, conditioned that the petitioner shall perform
14 the orders of the court.

15 3. An appeal may be taken by the taxpayer or the
16 director to the supreme court of this state
17 irrespective of the amount involved.

18 Sec. 141. NEW SECTION. 423.39 SERVICE OF
19 NOTICES.

20 1. A notice authorized or required under this
21 subchapter may be given by mailing the notice to the
22 person for whom it is intended, addressed to that
23 person at the address given in the last return filed
24 by the person pursuant to this subchapter, or if no
25 return has been filed, then to any address obtainable.
26 The mailing of the notice is presumptive evidence of
27 the receipt of the notice by the person to whom
28 addressed. Any period of time which is determined
29 according to this subchapter by the giving of notice
30 commences to run from the date of mailing of the
31 notice.

32 2. The provisions of the Code relative to the
33 limitation of time for the enforcement of a civil
34 remedy shall not apply to any proceeding or action
35 taken to levy, appraise, assess, determine, or enforce
36 the collection of any tax or penalty provided by this
37 chapter.

38 Sec. 142. NEW SECTION. 423.40 PENALTIES –
39 OFFENSES – LIMITATION.

40 1. In addition to the sales or use tax or
41 additional sales or use tax, the taxpayer shall pay a
42 penalty as provided in section 421.27. The taxpayer
43 shall also pay interest on the sales or use tax or
44 additional sales or use tax at the rate in effect
45 under section 421.7 for each month counting each
46 fraction of a month as an entire month, computed from
47 the date the semimonthly or monthly tax deposit form
48 or return was required to be filed. The penalty and
49 interest shall be paid to the department and disposed
50 of in the same manner as other receipts under this

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1 subchapter. Unpaid penalties and interest may be
2 enforced in the same manner as the taxes imposed by
3 this chapter.

4 2. a. Any person who knowingly sells tangible
5 personal property, tickets or admissions to places of
6 amusement and athletic events, or gas, water,
7 electricity, or communication service at retail, or
8 engages in the furnishing of services enumerated in
9 section 423.2, in this state without procuring a
10 permit to collect tax, as provided in section 423.36,
11 or who violates section 423.24 and the officers of any
12 corporation who so act are guilty of a serious
13 misdemeanor.

14 b. A person who knowingly sells tangible personal
15 property, tickets or admissions to places of amusement
16 and athletic events, or gas, water, electricity, or
17 communication service at retail, or engages in the
18 furnishing of services enumerated in section 423.2, in
19 this state after the person's sales tax permit has
20 been revoked and before it has been restored as
21 provided in section 423.36, subsection 5, and the
22 officers of any corporation who so act are guilty of
23 an aggravated misdemeanor.

24 3. A person who willfully attempts in any manner
25 to evade any tax imposed by this chapter or the
26 payment of the tax or a person who makes or causes to
27 be made a false or fraudulent semimonthly or monthly
28 tax deposit form or return with intent to evade any
29 tax imposed by subchapter II or III or the payment of
30 the tax is guilty of a class "D" felony.

31 4. The certificate of the director to the effect
32 that a tax has not been paid, that a return has not
33 been filed, or that information has not been supplied
34 pursuant to the provisions of this subchapter shall be
35 prima facie evidence thereof.

36 5. A person required to pay sales or use tax, or
37 to make, sign, or file a tax deposit form or return or
38 supplemental return, who willfully makes a false or
39 fraudulent tax deposit form or return, or willfully
40 fails to pay at least ninety percent of the tax or
41 willfully fails to make, sign, or file the tax deposit
42 form or return, at the time required by law, is guilty
43 of a fraudulent practice.

44 6. A prosecution for an offense specified in this
45 section shall be commenced within six years after its
46 commission.

47 Sec. 143. NEW SECTION. 423.41 BOOKS -
48 EXAMINATION.

49 Every retailer required or authorized to collect
50 taxes imposed by this chapter and every person using

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1 in this state tangible personal property, services, or
2 the product of services shall keep records, receipts,
3 invoices, and other pertinent papers as the director
4 shall require, in the form that the director shall
5 require, for as long as the director has the authority
6 to examine and determine tax due. The director or any
7 duly authorized agent of the department may examine
8 the books, papers, records, and equipment of any
9 person either selling tangible personal property or
10 services or liable for the tax imposed by this
11 chapter, and investigate the character of the business
12 of any person in order to verify the accuracy of any
13 return made, or if a return was not made by the
14 person, ascertain and determine the amount due under
15 this chapter. These books, papers, and records shall
16 be made available within this state for examination
17 upon reasonable notice when the director deems it
18 advisable and so orders. The preceding requirements
19 shall likewise apply to users and persons furnishing
20 services enumerated in section 423.2.

21 Sec. 144. NEW SECTION. 423.42 STATUTES
22 APPLICABLE.

23 1. The director shall administer the taxes imposed
24 by subchapters II and III in the same manner and
25 subject to all the provisions of, and all of the
26 powers, duties, authority, and restrictions contained
27 in, section 422.25, subsection 4, section 422.30, and
28 sections 422.67 through 422.75.

29 2. All the provisions of section 422.26 shall
30 apply in respect to the taxes and penalties imposed by
31 subchapters II and III and this subchapter, except
32 that, as applied to any tax imposed by subchapters II
33 and III, the lien provided in section 422.26 shall be
34 prior and paramount over all subsequent liens upon any
35 personal property within this state, or right to such
36 personal property, belonging to the taxpayer without
37 the necessity of recording as provided in section
38 422.26. The requirements for recording shall, as
39 applied to the taxes imposed by subchapters II and
40 III, apply only to the liens upon real property. When
41 requested to do so by any person from whom a taxpayer
42 is seeking credit, or with whom the taxpayer is
43 negotiating the sale of any personal property, or by
44 any other person having a legitimate interest in such
45 information, the director shall, upon being satisfied
46 that such a situation exists, inform that person as to
47 the amount of unpaid taxes due by such taxpayer under
48 the provisions of subchapters II and III. The giving
49 of this information under these circumstances shall
50 not be deemed a violation of section 422.72 as applied

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1 to subchapters II and III.

2 Sec. 145. NEW SECTION. 423.43 DEPOSIT OF REVENUE

3 - APPROPRIATIONS.

4 Except as otherwise provided in section 312.2,
5 subsection 15, all revenues derived from the use tax
6 on motor vehicles, trailers, and motor vehicle
7 accessories and equipment as collected pursuant to
8 sections 423.26 and 423.27 shall be deposited and
9 credited to the road use tax fund and shall be used
10 exclusively for the construction, maintenance, and
11 supervision of public highways.

12 1. Notwithstanding any provision of this section
13 which provides that all revenues derived from the use
14 tax on motor vehicles, trailers, and motor vehicle
15 accessories and equipment as collected pursuant to
16 sections 423.26 and 423.27 shall be deposited and
17 credited to the road use tax fund, eighty percent of
18 the revenues shall be deposited and credited as
19 follows:

20 a. Twenty-five percent of all such revenue, up to
21 a maximum of four million two hundred fifty thousand
22 dollars per quarter, shall be deposited into and
23 credited to the Iowa comprehensive petroleum
24 underground storage tank fund created in section
25 455G.3, and the moneys so deposited are a continuing
26 appropriation for expenditure under chapter 455G, and
27 moneys so appropriated shall not be used for other
28 purposes.

29 b. Any such revenues remaining shall be credited
30 to the road use tax fund.

31 2. Notwithstanding any other provision of this
32 section that provides that all revenue derived from
33 the use tax on motor vehicles, trailers, and motor
34 vehicle accessories and equipment as collected
35 pursuant to section 423.26 shall be deposited and
36 credited to the road use tax fund, twenty percent of
37 the revenues shall be credited and deposited as
38 follows: one-half to the road use tax fund and one-
39 half to the primary road fund to be used for the
40 commercial and industrial highway network.

41 3. All other revenue arising under the operation
42 of this chapter shall be credited to the general fund
43 of the state.

44 Sec. 146. NEW SECTION. 423.44 REIMBURSEMENT FOR
45 PRIMARY ROAD FUND.

46 From moneys deposited into the road use tax fund,
47 the department may credit to the primary road fund any
48 amount of revenues derived from the use tax on motor
49 vehicles, trailers, and motor vehicle accessories and
50 equipment as collected pursuant to sections 423.26 and

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1 423.27 to the extent necessary to reimburse that fund
2 for the expenditures not otherwise eligible to be made
3 from the primary road fund, which are made for
4 repairing, improving, and maintaining bridges over the
5 rivers bordering the state. Expenditures for those
6 portions of bridges within adjacent states may be
7 included when they are made pursuant to an agreement
8 entered into under section 313.63, 313A.34, or 314.10.

9 Sec. 147. NEW SECTION. 423.45 REFUNDS -
10 EXEMPTION CERTIFICATES.

11 1. If an amount of tax represented by a retailer
12 to a consumer or user as constituting tax due is
13 computed upon a sales price that is not taxable or the
14 amount represented is in excess of the actual taxable
15 amount and the amount represented is actually paid by
16 the consumer or user to the retailer, the excess
17 amount of tax paid shall be returned to the consumer
18 or user upon notification to the retailer by the
19 department that an excess payment exists.

20 2. If an amount of tax represented by a retailer
21 to a consumer or user as constituting tax due is
22 computed upon a sales price that is not taxable or the
23 amount represented is in excess of the actual taxable
24 amount and the amount represented is actually paid by
25 the consumer or user to the retailer, the excess
26 amount of tax paid shall be returned to the consumer
27 or user upon proper notification to the retailer by
28 the consumer or user that an excess payment exists.
29 "Proper" notification is written notification which
30 allows a retailer at least sixty days to respond and
31 which contains enough information to allow a retailer
32 to determine the validity of a consumer's or user's
33 claim that an excess amount of tax has been paid. No
34 cause of action shall accrue against a retailer for
35 excess tax paid until sixty days after proper notice
36 has been given the retailer by the consumer or user.

37 3. In the circumstances described in subsections 1
38 and 2, a retailer has the option to either return any
39 excess amount of tax paid to a consumer or user, or to
40 remit the amount which a consumer or user has paid to
41 the retailer to the department.

42 4. a. The department shall issue or the seller
43 may separately provide exemption certificates in the
44 form prescribed by the director, including
45 certificates not made of paper, which conform to the
46 requirements of paragraph "c", to assist retailers in
47 properly accounting for nontaxable sales of tangible
48 personal property or services to purchasers for a
49 nontaxable purpose. The department shall also allow
50 the use of exemption certificates for those

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- 1 circumstances in which a sale is taxable but the
2 seller is not obligated to collect tax from the buyer.
- 3 b. The sales tax liability for all sales of
4 tangible personal property and all sales of services
5 is upon the seller and the purchaser unless the seller
6 takes in good faith from the purchaser a valid
7 exemption certificate stating under penalty of perjury
8 that the purchase is for a nontaxable purpose and is
9 not a retail sale as defined in section 423.1, or the
10 seller is not obligated to collect tax due, or unless
11 the seller takes a fuel exemption certificate pursuant
12 to subsection 5. If the tangible personal property or
13 services are purchased tax free pursuant to a valid
14 exemption certificate which is taken in good faith by
15 the seller, and the tangible personal property or
16 services are used or disposed of by the purchaser in a
17 nonexempt manner, the purchaser is solely liable for
18 the taxes and shall remit the taxes directly to the
19 department and sections 423.31, 423.32, 423.37,
20 423.38, 423.39, 423.40, 423.41, and 423.42 shall apply
21 to the purchaser.
- 22 c. A valid exemption certificate is an exemption
23 certificate which is complete and correct according to
24 the requirements of the director.
- 25 d. A valid exemption certificate is taken in good
26 faith by the seller when the seller has exercised that
27 caution and diligence which honest persons of ordinary
28 prudence would exercise in handling their own business
29 affairs, and includes an honesty of intention and
30 freedom from knowledge of circumstances which ought to
31 put one upon inquiry as to the facts. In order for a
32 seller to take a valid exemption certificate in good
33 faith, the seller must exercise reasonable prudence to
34 determine the facts supporting the valid exemption
35 certificate, and if any facts upon such certificate
36 would lead a reasonable person to further inquiry,
37 such inquiry must be made with an honest intent to
38 discover the facts.
- 39 e. If the circumstances change and as a result the
40 tangible personal property or services are used or
41 disposed of by the purchaser in a nonexempt manner or
42 the purchaser becomes obligated to pay the tax, the
43 purchaser is liable solely for the taxes and shall
44 remit the taxes directly to the department in
45 accordance with this subsection.
- 46 5. a. The department shall issue or the seller
47 may separately provide fuel exemption certificates in
48 the form prescribed by the director.
- 49 b. For purposes of this subsection:
50 (1) "Fuel" includes gas, electricity, water, heat,

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1 steam, and any other tangible personal property
2 consumed in creating heat, power, or steam.

3 (2) "Fuel consumed in processing" means fuel used
4 or consumed for processing including grain drying, for
5 providing heat or cooling for livestock buildings or
6 for greenhouses or buildings or parts of buildings
7 dedicated to the production of flowering, ornamental,
8 or vegetable plants intended for sale in the ordinary
9 course of business, for use in aquaculture production,
10 or for generating electric current, or in implements
11 of husbandry engaged in agricultural production.

12 (3) "Fuel exemption certificate" means an
13 exemption certificate given by the purchaser under
14 penalty of perjury to assist retailers in properly
15 accounting for nontaxable sales of fuel consumed in
16 processing.

17 (4) "Substantial change" means a change in the use
18 or disposition of tangible personal property and
19 services by the purchaser such that the purchaser pays
20 less than ninety percent of the purchaser's actual
21 sales tax liability. A change includes a misstatement
22 of facts in an application made pursuant to paragraph
23 "d" or in a fuel exemption certificate.

24 c. The seller may accept a completed fuel
25 exemption certificate, as prepared by the purchaser,
26 for three years unless the purchaser files a new
27 completed exemption certificate. If the fuel is
28 purchased tax free pursuant to a fuel exemption
29 certificate which is taken by the seller, and the fuel
30 is used or disposed of by the purchaser in a nonexempt
31 manner, the purchaser is solely liable for the taxes,
32 and shall remit the taxes directly to the department
33 and sections 423.31, 423.32, 423.37, 423.38, 423.39,
34 423.40, 423.41, and 423.42 shall apply to the
35 purchaser.

36 d. The purchaser may apply to the department for
37 its review of the fuel exemption certificate. In this
38 event, the department shall review the fuel exemption
39 certificate within twelve months from the date of
40 application and determine the correct amount of the
41 exemption. If the amount determined by the department
42 is different than the amount that the purchaser claims
43 is exempt, the department shall promptly notify the
44 purchaser of the determination. Failure of the
45 department to make a determination within twelve
46 months from the date of application shall constitute a
47 determination that the fuel exemption certificate is
48 correct as submitted. A determination of exemption by
49 the department is final unless the purchaser appeals
50 to the director for a revision of the determination

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1 within sixty days after the date of the notice of
2 determination. The director shall grant a hearing,
3 and upon the hearing, the director shall determine the
4 correct exemption and notify the purchaser of the
5 decision by mail. The decision of the director is
6 final unless the purchaser seeks judicial review of
7 the director's decision under section 423.38 within
8 sixty days after the date of the notice of the
9 director's decision. Unless there is a substantial
10 change, the department shall not impose penalties
11 pursuant to section 423.40 both retroactively to
12 purchases made after the date of application and
13 prospectively until the department gives notice to the
14 purchaser that a tax or additional tax is due, for
15 failure to remit any tax due which is in excess of a
16 determination made under this section. A
17 determination made by the department pursuant to this
18 subsection does not constitute an audit for purposes
19 of section 423.37.

20 e. If the circumstances change and the fuel is
21 used or disposed of by the purchaser in a nonexempt
22 manner, the purchaser is solely liable for the taxes
23 and shall remit the taxes directly to the department
24 in accordance with paragraph "c".

25 f. The purchaser shall attach documentation to the
26 fuel exemption certificate which is reasonably
27 necessary to support the exemption for fuel consumed
28 in processing. If the purchaser files a new exemption
29 certificate with the seller, documentation shall not
30 be required if the purchaser previously furnished the
31 seller with this documentation and substantial change
32 has not occurred since that documentation was
33 furnished or if fuel consumed in processing is
34 separately metered and billed by the seller.

35 6. Nothing in this section authorizes any cause of
36 action by any person to recover sales or use taxes
37 directly from the state or extends any person's time
38 to seek a refund of sales or use taxes which have been
39 collected and remitted to the state.

40 Sec. 148. NEW SECTION. 423.46 RATE AND BASE
41 CHANGES.

42 The department shall make a reasonable effort to
43 provide sellers with as much advance notice as
44 practicable of a rate change and to notify sellers of
45 legislative changes in the tax base and amendments to
46 sales and use tax rules. Failure of a seller to
47 receive notice or failure of this state to provide
48 notice or limit the effective date of a rate change
49 shall not relieve the seller of its obligation to
50 collect sales or use taxes for this state.

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1 Sec. 149. NEW SECTION. 423.47 REFUNDS AND
2 CREDITS.

3 If it shall appear that, as a result of mistake, an
4 amount of tax, penalty, or interest has been paid
5 which was not due under the provisions of this
6 chapter, such amount shall be credited against any tax
7 due, or to become due, on the books of the department
8 from the person who made the erroneous payment, or
9 such amount shall be refunded to such person by the
10 department. A claim for refund or credit that has not
11 been filed with the department within three years
12 after the tax payment for which a refund or credit is
13 claimed became due, or one year after such tax payment
14 was made, whichever time is the later, shall not be
15 allowed by the director.

16 SUBCHAPTER VI
17 SALES AND USE TAX ACT - ADMINISTRATION OF
18 RETAILERS REGISTERED VOLUNTARILY UNDER THE
19 AGREEMENT

20 Sec. 150. NEW SECTION. 423.48 RESPONSIBILITIES
21 AND RIGHTS OF SELLERS REGISTERED UNDER THE AGREEMENT.

22 1. By registering under the agreement, the seller
23 agrees to collect and remit sales and use taxes for
24 all its taxable Iowa sales. Iowa's withdrawal from
25 the agreement or revocation of its membership in the
26 agreement shall not relieve a seller from its
27 responsibility to remit taxes previously collected on
28 behalf of this state.

29 2. The following provisions apply to any seller
30 who registers under the agreement:

31 a. The seller may register on-line.

32 b. Registration under the agreement and the
33 collection of Iowa sales and use taxes shall not be
34 used as factors in determining whether the seller has
35 nexus with Iowa for any tax.

36 c. If registered under the agreement with any
37 other member state, the seller is considered to be
38 registered in Iowa.

39 d. The seller is not required to pay registration
40 fees or other charges.

41 e. A written signature from the seller is not
42 required.

43 f. The seller may register by way of an agent.
44 The agent's appointment shall be in writing and
45 submitted to the department if requested by the
46 department.

47 g. The seller may cancel its registration at any
48 time under procedures adopted by the governing board
49 established pursuant to the agreement. Cancellation
50 does not relieve the seller of its liability for

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- 1 remitting any Iowa taxes collected.
- 2 3. The following additional responsibilities and
3 rights apply to model sellers:
- 4 a. A model 1 seller's obligation to calculate,
5 collect, and remit sales and use taxes shall be
6 performed by its certified service provider, except
7 for the seller's obligation to remit tax on its own
8 purchases. As the seller's agent, the certified
9 service provider is liable for its model 1 seller's
10 sales and use tax due Iowa on all sales transactions
11 it processes for the seller except as set out in this
12 section. A seller that contracts with a certified
13 service provider is not liable to the state for sales
14 or use tax due on transactions processed by the
15 certified service provider unless the seller
16 misrepresents the types of items or services it sells
17 or commits fraud. In the absence of probable cause to
18 believe that the seller has committed fraud or made a
19 material misrepresentation, the seller is not subject
20 to audit on the transactions processed by the
21 certified service provider. A model 1 seller is
22 subject to audit for transactions not processed by the
23 certified service provider. The director is
24 authorized to perform a system check of the model 1
25 seller and review the seller's procedures to determine
26 if the certified service provider's system is
27 functioning properly and the extent to which the
28 seller's transactions are being processed by the
29 certified service provider.
- 30 b. A model 2 seller shall calculate the amount of
31 tax due on a transaction by the use of a certified
32 automated system, but shall collect and remit tax on
33 its own sales. A person that provides a certified
34 automated system is responsible for the proper
35 functioning of that system and is liable to this state
36 for underpayments of tax attributable to errors in the
37 functioning of the certified automated system. A
38 seller that uses a certified automated system remains
39 responsible and is liable to the state for reporting
40 and remitting tax.
- 41 c. A model 3 seller shall use its own proprietary
42 automated system to calculate tax due and collect and
43 remit tax on its own sales. A model 3 seller is
44 liable for the failure of its proprietary automated
45 system to meet the applicable performance standard.
- 46 Sec. 151. NEW SECTION. 423.49 RETURNS.
- 47 1. All model 1, 2, or 3 sellers are subject to all
48 of the following return requirements:
- 49 a. The seller is required to file only one return
50 per month for this state and for all taxing

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1 jurisdictions within this state.

2 b. The date for filing returns shall be determined
3 under rules adopted by the director. However, in no
4 case shall the return be due earlier than the
5 twentieth day of the following month.

6 c. The director shall request additional
7 information returns. These returns shall not be
8 required more frequently than every six months.

9 2. Any registered seller which does not have a
10 legal obligation to register in this state and is not
11 a model 1, 2, or 3 seller is subject to all of the
12 following return requirements:

13 a. The seller is required to file a return within
14 one year of the month of initial registration and
15 shall file a return on an annual basis in succeeding
16 years.

17 b. In addition to the return required in paragraph
18 "a", if the seller accumulates more than one thousand
19 dollars in total state and local tax, the seller is
20 required to file a return in the following month.

21 c. The format of the return and the due date of
22 the initial return and the annual return shall be
23 determined under rules adopted by the department.

24 Sec. 152. NEW SECTION. 423.50 REMITTANCE OF
25 FUNDS.

26 1. Only one remittance of tax per return is
27 required except as provided in this subsection.
28 Sellers that collect more than thirty thousand dollars
29 in sales and use taxes for this state during the
30 preceding calendar year shall be required to make
31 additional remittances as required under rules adopted
32 by the director. The filing of a return is not
33 required with an additional remittance.

34 2. All remittances shall be remitted
35 electronically.

36 3. Electronic payments may be made either by
37 automated clearinghouse credit or automated
38 clearinghouse debit. Any data accompanying a
39 remittance must be formatted using uniform tax type
40 and payment codes approved by the governing board
41 established pursuant to the agreement. An alternative
42 method for making same-day payments shall be
43 determined under rules adopted by the director.

44 4. If a due date falls on a legal banking holiday
45 in this state, the taxes are due on the succeeding
46 business day.

47 Sec. 153. NEW SECTION. 423.51 ADMINISTRATION OF
48 EXEMPTIONS.

49 1. The following provisions shall apply when a
50 purchaser claims an exemption:

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1 a. The seller shall obtain identifying information
2 of the purchaser and the reason for claiming a tax
3 exemption at the time of the purchase as determined by
4 the member states acting jointly.

5 b. A purchaser is not required to provide a
6 signature to claim an exemption from tax unless a
7 paper certificate is used.

8 c. The seller shall use the standard form for
9 claiming an exemption electronically as adopted
10 jointly by the member states.

11 d. The seller shall obtain the same information
12 for proof of a claimed exemption regardless of the
13 medium in which the transaction occurred.

14 e. The department may authorize a system wherein
15 the purchaser exempt from the payment of the tax is
16 issued an identification number which shall be
17 presented to the seller at the time of the sale.

18 f. The seller shall maintain proper records of
19 exempt transactions and provide them to the department
20 when requested.

21 g. The department shall administer entity-based
22 and use-based exemptions when practicable through a
23 direct pay tax permit, an exemption certificate, or
24 another means that does not burden sellers. For the
25 purposes of this paragraph:

26 (1) An "entity-based exemption" is an exemption
27 based on who purchases the product or who sells the
28 product.

29 (2) A "use-based exemption" is an exemption based
30 on the purchaser's use of the product.

31 2. Sellers that follow the requirements of this
32 section are relieved from any tax otherwise applicable
33 if it is determined that the purchaser improperly
34 claimed an exemption and that the purchaser is liable
35 for the nonpayment of tax. This relief from liability
36 does not apply to a seller who fraudulently fails to
37 collect the tax or solicits purchasers to participate
38 in the unlawful claim of an exemption.

39 Sec. 154. NEW SECTION. 423.52 RELIEF FROM
40 LIABILITY FOR SELLERS AND CERTIFIED SERVICE PROVIDERS.

41 Sellers and certified service providers are
42 relieved from liability to this state or its local
43 taxing jurisdictions for having charged and collected
44 the incorrect amount of sales or use tax resulting
45 from the seller or certified service provider relying
46 on erroneous data provided by this state on tax rates,
47 boundaries, or taxing jurisdiction assignments. If
48 this state provides an address-based system for
49 assigning taxing jurisdictions whether or not pursuant
50 to the federal Mobile Telecommunications Sourcing Act,

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1 the director is not required to provide liability
2 relief for errors resulting from reliance on the
3 information provided by this state.

4 Sec. 155. NEW SECTION. 423.53 BAD DEBTS AND
5 MODEL 1 SELLERS.

6 A certified service provider may claim, on behalf
7 of a model 1 seller, any bad debt deduction as
8 provided in section 423.21. The certified service
9 provider must credit or refund the full amount of any
10 bad debt deduction or refund received to the seller.

11 Sec. 156. NEW SECTION. 423.54 AMNESTY FOR
12 REGISTERED SELLERS.

13 1. Subject to the limitations in subsections 2
14 through 6, the following provisions apply:

15 a. Amnesty is provided for uncollected or unpaid
16 sales or use tax to a seller who registers to pay or
17 to collect and remit applicable sales or use tax on
18 sales made to purchasers in this state in accordance
19 with the terms of the agreement, provided the seller
20 was not so registered in this state in the twelve-
21 month period preceding the commencement of Iowa's
22 participation in the agreement.

23 b. Amnesty precludes assessment of the seller for
24 uncollected or unpaid sales or use tax together with
25 penalty or interest for sales made during the period
26 the seller was not registered in this state, provided
27 registration occurs within twelve months of the
28 commencement of Iowa's participation in the agreement.

29 c. Amnesty shall be provided to any seller
30 lawfully registered under the agreement by any other
31 member state prior to the date of the commencement of
32 Iowa's participation in the agreement.

33 2. Amnesty is not available to a seller with
34 respect to any matter or matters for which the seller
35 received notice of the commencement of an audit and
36 which audit is not yet finally resolved, including any
37 related administrative and judicial processes.

38 3. Amnesty is not available for sales or use taxes
39 already paid or remitted or to taxes collected by the
40 seller.

41 4. Amnesty is fully effective absent the seller's
42 fraud or intentional misrepresentation of a material
43 fact as long as the seller continues registration and
44 continues payment or collection and remittance of
45 applicable sales or use taxes for a period of at least
46 thirty-six months. The statute of limitations
47 applicable to asserting a tax liability is tolled
48 during this thirty-six month period.

49 5. Amnesty is applicable only to sales or use
50 taxes due from a seller in its capacity as a seller

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1 and not to sales or use taxes due from a seller in its
2 capacity as a buyer.

3 6. The director may allow amnesty on terms and
4 conditions more favorable to a seller than the terms
5 required by this section.

6 Sec. 157. NEW SECTION. 423.55 DATABASES.

7 The department shall provide and maintain databases
8 required by the agreement for the benefit of sellers
9 registered under the agreement.

10 Sec. 158. NEW SECTION. 423.56 CONFIDENTIALITY
11 AND PRIVACY PROTECTIONS UNDER MODEL 1.

12 1. As used in this section:

13 a. "Anonymous data" means information that does
14 not identify a person.

15 b. "Confidential taxpayer information" means all
16 information that is protected under this state's laws,
17 rules, and privileges.

18 c. "Personally identifiable information" means
19 information that identifies a person.

20 2. With very limited exceptions, a certified
21 service provider shall perform its tax calculation,
22 remittance, and reporting functions without retaining
23 the personally identifiable information of consumers.

24 3. A certified service provider may perform its
25 services in this state only if the certified service
26 provider certifies that:

27 a. Its system has been designed and tested to
28 ensure that the fundamental precept of anonymity is
29 respected.

30 b. Personally identifiable information is only
31 used and retained to the extent necessary for the
32 administration of model 1 sellers with respect to
33 exempt purchasers.

34 c. It provides consumers clear and conspicuous
35 notice of its information practices, including what
36 information it collects, how it collects the
37 information, how it uses the information, how long, if
38 at all, it retains the information, and whether it
39 discloses the information to member states. This
40 notice shall be satisfied by a written privacy policy
41 statement accessible by the public on the official web
42 site of the certified service provider.

43 d. Its collection, use, and retention of
44 personally identifiable information is limited to that
45 required by the member states to ensure the validity
46 of exemptions from taxation that are claimed by reason
47 of a consumer's status or the intended use of the
48 goods or services purchased.

49 e. It provides adequate technical, physical, and
50 administrative safeguards so as to protect personally

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1 identifiable information from unauthorized access and
2 disclosure.

3 4. The department shall provide public
4 notification of its practices relating to the
5 collection, use, and retention of personally
6 identifiable information.

7 5. When any personally identifiable information
8 that has been collected and retained by the department
9 or certified service provider is no longer required
10 for the purposes set forth in subsection 3, paragraph
11 "d", that information shall no longer be retained by
12 the department or certified service provider.

13 6. When personally identifiable information
14 regarding an individual is retained by or on behalf of
15 this state, this state shall provide reasonable access
16 by such individual to his or her own information in
17 the state's possession and a right to correct any
18 inaccurately recorded information.

19 7. This privacy policy is subject to enforcement
20 by the department and the attorney general.

21 8. This state's laws and rules regarding the
22 collection, use, and maintenance of confidential
23 taxpayer information remain fully applicable and
24 binding. Without limitation, the agreement does not
25 enlarge or limit the state's or department's authority
26 to:

27 a. Conduct audits or other review as provided
28 under the agreement and state law.

29 b. Provide records pursuant to its examination of
30 public records law, disclosure laws of individual
31 governmental agencies, or other regulations.

32 c. Prevent, consistent with state law, disclosures
33 of confidential taxpayer information.

34 d. Prevent, consistent with federal law,
35 disclosures or misuse of federal return information
36 obtained under a disclosure agreement with the
37 internal revenue service.

38 e. Collect, disclose, disseminate, or otherwise
39 use anonymous data for governmental purposes.

40 9. This privacy policy does not preclude the
41 certification of a certified service provider whose
42 privacy policy is more protective of confidential
43 taxpayer information or personally identifiable
44 information than is required by the agreement.

45 Sec. 159. NEW SECTION. 423.57 STATUTES
46 APPLICABLE.

47 The director shall administer this subchapter as it
48 relates to the taxes imposed in this chapter in the
49 same manner and subject to all the provisions of, and
50 all of the powers, duties, authority, and restrictions

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1 contained in sections 423.14, 423.15, 423.16, 423.17,
2 423.18, 423.19, 423.20, 423.21, 423.22, 423.23,
3 423.24, 423.25, 423.28, 423.29, 423.31, 423.32,
4 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,
5 423.40, 423.41, and 423.42, section 423.43, subsection
6 3, and sections 423.45, 423.46, and 423.47.

7 Sec. 160.

8 1. Sections 422.42 through 422.59, Code 2003, are
9 repealed.

10 2. Chapter 423, Code 2003, is repealed.

11 COORDINATING AMENDMENTS

12 Sec. 161. Section 15.331A, Code 2003, is amended
13 to read as follows:

14 15.331a SALES, SERVICES, AND USE TAX REFUND –
15 CONTRACTOR OR SUBCONTRACTOR.

16 The eligible business or a supporting business
17 shall be entitled to a refund of the sales and use
18 taxes paid under ~~chapters 422 and~~ chapter 423 for gas,
19 electricity, water, or sewer utility services, goods,
20 wares, or merchandise, or on services rendered,
21 furnished, or performed to or for a contractor or
22 subcontractor and used in the fulfillment of a written
23 contract relating to the construction or equipping of
24 a facility within the economic development area of the
25 eligible business or a supporting business. Taxes
26 attributable to intangible property and furniture and
27 furnishings shall not be refunded.

28 To receive the refund a claim shall be filed by the
29 eligible business or a supporting business with the
30 department of revenue and finance as follows:

31 1. The contractor or subcontractor shall state
32 under oath, on forms provided by the department, the
33 amount of the sales of goods, wares, or merchandise or
34 services rendered, furnished, or performed including
35 water, sewer, gas, and electric utility services for
36 use in the economic development area upon which sales
37 or use tax has been paid prior to the project
38 completion, and shall file the forms with the eligible
39 business or supporting business before final
40 settlement is made.

41 2. The eligible business or a supporting business
42 shall, not more than one year after project
43 completion, make application to the department for any
44 refund of the amount of the sales and use taxes paid
45 pursuant to chapter ~~422 or~~ 423 upon any goods, wares,
46 or merchandise, or services rendered, furnished, or
47 performed, including water, sewer, gas, and electric
48 utility services. The application shall be made in
49 the manner and upon forms to be provided by the
50 department, and the department shall audit the claim

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1 and, if approved, issue a warrant to the eligible
2 business or supporting business in the amount of the
3 sales or use tax which has been paid to the state of
4 Iowa under a contract. A claim filed by the eligible
5 business or a supporting business in accordance with
6 this section shall not be denied by reason of a
7 limitation provision set forth in chapter 421, ~~422~~, or
8 423.

9 3. A contractor or subcontractor who willfully
10 makes a false report of tax paid under the provisions
11 of this section is guilty of a simple misdemeanor and
12 in addition is liable for the payment of the tax and
13 any applicable penalty and interest.

14 Sec. 162. Section 15.334A, Code 2003, is amended
15 to read as follows:

16 15.334A SALES AND USE TAX EXEMPTION.

17 An eligible business may claim an exemption from
18 sales and use taxation under section ~~422.45~~ 423.3,
19 subsection ~~27 46~~, for property which is exempt from
20 taxation under section 15.334, notwithstanding the
21 requirements of section ~~422.45~~ 423.3, subsection ~~27~~
22 46, or any other provision of the Code to the
23 contrary.

24 Sec. 163. Section 15A.9, subsections 5, 6, and 7,
25 Code 2003, are amended to read as follows:

26 5. PROPERTY TAX EXEMPTION.

27 a. All property, as defined in section 427A.1,
28 subsection 1, paragraphs "e" and "j", Code 1993, used
29 by the primary business or a supporting business and
30 located within the zone, shall be exempt from property
31 taxation for a period of twenty years beginning with
32 the year it is first assessed for taxation. In order
33 to be eligible for this exemption, the property shall
34 be acquired or leased by the primary business or a
35 supporting business or relocated by the primary
36 business or a supporting business to the zone from
37 outside the state prior to project completion.

38 b. Property which is exempt for property tax
39 purposes under this subsection is eligible for the
40 sales and use tax exemption under section ~~422.45~~
41 423.3, subsection ~~27 46~~, notwithstanding that
42 subsection or any other provision of the Code to the
43 contrary.

44 6. SALES, SERVICES, AND USE TAX REFUND. Taxes
45 paid pursuant to chapter ~~422~~ or 423 on the gross
46 ~~receipts~~ sales price or rental price of property
47 purchased or rented by the primary business or a
48 supporting business for use by the primary business or
49 a supporting business within the zone or on gas,
50 electricity, water, and sewer utility services prior

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1 to project completion shall be refunded to the primary
2 business or supporting business if the item was
3 purchased or the service was performed or received
4 prior to project completion. Claims under this
5 section shall be submitted on forms provided by the
6 department of revenue and finance not later than six
7 months after project completion. The refund in this
8 subsection shall not apply to furniture or
9 furnishings, or intangible property.

10 7. SALES, SERVICES, AND USE TAX REFUND –
11 CONTRACTOR OR SUBCONTRACTOR. The primary business or
12 a supporting business shall be entitled to a refund of
13 the sales and use taxes paid under ~~chapters 422 and~~
14 chapter 423 for gas, electricity, water, or sewer
15 utility services, goods, wares, or merchandise, or on
16 services rendered, furnished, or performed to or for a
17 contractor or subcontractor and used in the
18 fulfillment of a written contract relating to the
19 construction or equipping of a facility within the
20 zone of the primary business or a supporting business.

21 Taxes attributable to intangible property and
22 furniture and furnishings shall not be refunded.

23 To receive the refund a claim shall be filed by the
24 primary business or a supporting business with the
25 department of revenue and finance as follows:

26 a. The contractor or subcontractor shall state
27 under oath, on forms provided by the department, the
28 amount of the sales of goods, wares, or merchandise or
29 services rendered, furnished, or performed including
30 water, sewer, gas, and electric utility services for
31 use in the zone upon which sales or use tax has been
32 paid prior to the project completion, and shall file
33 the forms with the primary business or supporting
34 business before final settlement is made.

35 b. The primary business or a supporting business
36 shall, not more than six months after project
37 completion, make application to the department for any
38 refund of the amount of the sales and use taxes paid
39 pursuant to chapter ~~422 or~~ 423 upon any goods, wares,
40 or merchandise, or services rendered, furnished, or
41 performed, including water, sewer, gas, and electric
42 utility services. The application shall be made in
43 the manner and upon forms to be provided by the
44 department, and the department shall audit the claim
45 and, if approved, issue a warrant to the primary
46 business or supporting business in the amount of the
47 sales or use tax which has been paid to the state of
48 Iowa under a contract. A claim filed by the primary
49 business or a supporting business in accordance with
50 this subsection shall not be denied by reason of a

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1 limitation provision set forth in chapter 421; 422, or
2 423.

3 c. A contractor or subcontractor who willfully
4 makes a false report of tax paid under the provisions
5 of this subsection is guilty of a simple misdemeanor
6 and in addition is liable for the payment of the tax
7 and any applicable penalty and interest.

8 Sec. 164. Section 28A.17, unnumbered paragraph 1,
9 Code 2003, is amended to read as follows:

10 If an authority is established as provided in
11 section 28A.6 and after approval of a referendum by a
12 simple majority of votes cast in each metropolitan
13 area in favor of the sales and services tax, the
14 governing board of a county in this state within a
15 metropolitan area which is part of the authority shall
16 impose, at the request of the authority, a local sales
17 and services tax at the rate of one-fourth of one
18 percent on ~~gross receipts~~ the sales price taxed by
19 this state under ~~chapter 422, division IV section~~
20 423.2, within the metropolitan area located in this
21 state. The referendum shall be called by resolution
22 of the board and shall be held as provided in section
23 28A.6 to the extent applicable. The ballot
24 proposition shall contain a statement as to the
25 specific purpose or purposes for which the revenues
26 shall be expended and the date of expiration of the
27 tax. The local sales and services tax shall be
28 imposed on the same basis, with the same exceptions,
29 and following the same administrative procedures as
30 provided for a county under sections 422B.8 and
31 422B.9. The amount of the sale, for the purposes of
32 determining the amount of the local sales and services
33 tax under this section, does not include the amount of
34 any local sales and services tax imposed under
35 sections 422B.8 and 422B.9.

36 Sec. 165. Section 29C.15, Code 2003, is amended to
37 read as follows:

38 29C.15 TAX-EXEMPT PURCHASES.

39 All purchases under the provisions of this chapter
40 shall be exempt from the taxes imposed by sections
41 ~~422.43 423.2~~ and ~~423.2 423.5~~.

42 Sec. 166. Section 99E.10, subsection 1, paragraph
43 b, Code 2003, is amended to read as follows:

44 b. An amount equal to the product of the state
45 sales tax rate under section ~~422.43 423.2~~ multiplied
46 by the gross sales price of each ticket or share sold
47 shall be deducted as the sales tax on the sale of that
48 ticket or share, remitted to the treasurer of state
49 and deposited into the state general fund.

50 Sec. 167. Section 123.187, subsection 2, Code

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1 2003, is amended to read as follows:

2 2. A winery licensed or permitted pursuant to laws
3 regulating alcoholic beverages in a state which
4 affords this state an equal reciprocal shipping
5 privilege may ship into this state by private common
6 carrier, to a person twenty-one years of age or older,
7 not more than eighteen liters of wine per month, for
8 consumption or use by the person. Such wine shall not
9 be resold. Shipment of wine pursuant to this
10 subsection is not subject to sales tax under section
11 ~~422.43~~ 423.2, use tax under section ~~423.2~~ 423.5, or
12 the wine gallonage tax under section 123.183, and does
13 not require a refund value for beverage container
14 control purposes under chapter 455C.

15 Sec. 168. Section 262.54, Code 2003, is amended to
16 read as follows:

17 262.54 COMPUTER SALES.

18 Sales, by an institution under the control of the
19 board of regents, of computer equipment, computer
20 software, and computer supplies to students and
21 faculty at the institution are retail sales under
22 chapter ~~422~~, division IV 423.

23 Sec. 169. Section 303.9, subsection 2, Code 2003,
24 is amended to read as follows:

25 2. The department may sell mementos and other
26 items relating to Iowa history and historic sites on
27 the premises of property under control of the
28 department and at the state capitol. Notwithstanding
29 sections 18.12 and 18.16, the department may directly
30 and independently enter into rental and lease
31 agreements with private vendors for the purpose of
32 selling mementos. All fees and income produced by the
33 sales and rental or lease agreements shall be credited
34 to the account of the department. The mementos and
35 other items sold by the department or vendors under
36 this subsection are exempt from section 18.6. ~~The~~
37 ~~department is not a retailer under chapter 422 and the~~
38 ~~sale of such mementos and other items by the~~
39 ~~department is not a retail sale under chapter 422 and~~
40 ~~is exempt from the sales tax.~~

41 Sec. 170. Section 312.1, subsection 4, Code 2003,
42 is amended to read as follows:

43 4. To the extent provided in section ~~423.24~~
44 ~~423.43~~, subsection 1, paragraph "b", from revenue
45 derived from the use tax, under chapter 423 on motor
46 vehicles, trailers, and motor vehicle accessories and
47 equipment.

48 Sec. 171. Section 312.2, subsections 14 and 16,
49 Code 2003, are amended to read as follows:

50 14. The treasurer of state, before making the

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1 allotments provided for in this section, shall credit
2 monthly from the road use tax fund to the general fund
3 of the state from revenue credited to the road use tax
4 fund under section ~~423.24~~ 423.43, subsection 1,
5 paragraph "b", an amount equal to one-twentieth of
6 eighty percent of the revenue from the operation of
7 section ~~423.7~~ 423.26.

8 There is appropriated from the general fund of the
9 state for each fiscal year to the state department of
10 transportation the amount of revenues credited to the
11 general fund of the state during the fiscal year under
12 this subsection to be used for purposes of public
13 transit assistance under chapter 324A.

14 16. The treasurer of state, before making the
15 allotments provided for in this section, shall credit
16 monthly from the road use tax fund to the motorcycle
17 rider education fund established in section 321.180B,
18 an amount equal to one dollar per year of license
19 validity for each issued or renewed driver's license
20 which is valid for the operation of a motorcycle.
21 Moneys credited to the motorcycle rider education fund
22 under this subsection shall be taken from moneys
23 credited to the road use tax fund under section ~~423.24~~
24 423.43.

25 Sec. 172. Section 321.20, subsection 5, Code 2003,
26 is amended to read as follows:

27 5. The amount of tax to be paid under section
28 ~~423.7~~ 423.26.

29 Sec. 173. Section 321.24, subsections 1 and 3,
30 Code 2003, are amended to read as follows:

31 1. Upon receipt of the application for title and
32 payment of the required fees for a motor vehicle,
33 trailer, or semitrailer, the county treasurer or the
34 department shall, when satisfied as to the
35 application's genuineness and regularity, and, in the
36 case of a mobile home or manufactured home, that taxes
37 are not owing under chapter 435, issue a certificate
38 of title and, except for a mobile home or manufactured
39 home, a registration receipt, and shall file the
40 application, the manufacturer's or importer's
41 certificate, the certificate of title, or other
42 evidence of ownership, as prescribed by the
43 department. The registration receipt shall be
44 delivered to the owner and shall contain upon its face
45 the date issued, the name and address of the owner,
46 the registration number assigned to the vehicle, the
47 amount of the fee paid, the amount of tax paid
48 pursuant to section ~~423.7~~ 423.26, the type of fuel
49 used, and a description of the vehicle as determined
50 by the department, and upon the reverse side a form

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1 for notice of transfer of the vehicle. The name and
2 address of any lessee of the vehicle shall not be
3 printed on the registration receipt or certificate of
4 title. Up to three owners may be listed on the
5 registration receipt and certificate of title.

6 3. The certificate of title shall contain upon its
7 face the identical information required upon the face
8 of the registration receipt. In addition, the
9 certificate of title shall contain a statement of the
10 owner's title, the title number assigned to the owner
11 or owners of the vehicle, the amount of tax paid
12 pursuant to section ~~423.7~~ 423.26, the name and address
13 of the previous owner, and a statement of all security
14 interests and encumbrances as shown in the
15 application, upon the vehicle described, including the
16 nature of the security interest, date of notation, and
17 name and address of the secured party.

18 Sec. 174. Section 321.34, subsection 7, paragraph
19 c, Code 2003, is amended to read as follows:

20 c. The fees for a collegiate registration plate
21 are as follows:

22 (1) A registration fee of twenty-five dollars.

23 (2) A special collegiate registration fee of
24 twenty-five dollars.

25 These fees are in addition to the regular annual
26 registration fee. The fees collected by the director
27 under this subsection shall be paid monthly to the
28 treasurer of state and credited by the treasurer of
29 state to the road use tax fund. Notwithstanding
30 section ~~423.24~~ 423.43 and prior to the revenues being
31 credited to the road use tax fund under section ~~423.24~~
32 423.43, subsection 1, paragraph "b", the treasurer of
33 state shall credit monthly from those revenues
34 respectively, to Iowa state university of science and
35 technology, the university of northern Iowa, and the
36 state university of Iowa, the amount of the special
37 collegiate registration fees collected in the previous
38 month for collegiate registration plates designed for
39 the university. The moneys credited are appropriated
40 to the respective universities to be used for
41 scholarships for students attending the universities.

42 Sec. 175. Section 321.34, subsection 11, paragraph
43 c, Code 2003, is amended to read as follows:

44 c. The special natural resources fee for letter
45 number designated natural resources plates is thirty-
46 five dollars. The fee for personalized natural
47 resources plates is forty-five dollars which shall be
48 paid in addition to the special natural resources fee
49 of thirty-five dollars. The fees collected by the
50 director under this subsection shall be paid monthly

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1 to the treasurer of state and credited to the road use
2 tax fund. Notwithstanding section ~~423.24~~ 423.43, and
3 prior to the crediting of revenues to the road use tax
4 fund under section ~~423.24~~ 423.43, subsection 1,
5 paragraph "b", the treasurer of state shall credit
6 monthly from those revenues to the Iowa resources
7 enhancement and protection fund created pursuant to
8 section 455A.18, the amount of the special natural
9 resources fees collected in the previous month for the
10 natural resources plates.

11 Sec. 176. Section 321.34, subsection 11A,
12 paragraph c, Code 2003, is amended to read as follows:

13 c. The special fee for letter number designated
14 love our kids plates is thirty-five dollars. The fee
15 for personalized love our kids plates is twenty-five
16 dollars, which shall be paid in addition to the
17 special love our kids fee of thirty-five dollars. The
18 fees collected by the director under this subsection
19 shall be paid monthly to the treasurer of state and
20 credited to the road use tax fund. Notwithstanding
21 section ~~423.24~~ 423.43, and prior to the crediting of
22 revenues to the road use tax fund under section ~~423.24~~
23 423.43, subsection 1, paragraph "b", the treasurer of
24 state shall transfer monthly from those revenues to
25 the Iowa department of public health the amount of the
26 special fees collected in the previous month for the
27 love our kids plates. Notwithstanding section 8.33,
28 moneys transferred under this subsection shall not
29 revert to the general fund of the state.

30 Sec. 177. Section 321.34, subsection 11B,
31 paragraph c, Code 2003, is amended to read as follows:

32 c. The special fee for letter number designated
33 motorcycle rider education plates is thirty-five
34 dollars. The fee for personalized motorcycle rider
35 education plates is twenty-five dollars, which shall
36 be paid in addition to the special motorcycle rider
37 education fee of thirty-five dollars. The fees
38 collected by the director under this subsection shall
39 be paid monthly to the treasurer of state and credited
40 to the road use tax fund. Notwithstanding section
41 ~~423.24~~ 423.43, and prior to the crediting of revenues
42 to the road use tax fund under section ~~423.24~~ 423.43,
43 subsection 1, paragraph "b", the treasurer of state
44 shall transfer monthly from those revenues to the
45 department for use in accordance with section
46 321.180B, subsection 6, the amount of the special fees
47 collected in the previous month for the motorcycle
48 rider education plates.

49 Sec. 178. Section 321.34, subsection 13, paragraph
50 d, Code 2003, is amended to read as follows:

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1 d. A state agency may submit a request to the
2 department recommending a special registration plate.
3 The alternate fee for letter number designated plates
4 is thirty-five dollars with a ten dollar annual
5 special renewal fee. The fee for personalized plates
6 is twenty-five dollars which is in addition to the
7 alternative fee of thirty-five dollars with an annual
8 personalized plate renewal fee of five dollars which
9 is in addition to the special renewal fee of ten
10 dollars. The alternate fees are in addition to the
11 regular annual registration fee. The alternate fees
12 collected under this paragraph shall be paid monthly
13 to the treasurer of state and credited to the road use
14 tax fund. Notwithstanding section ~~423.24~~ 423.43, and
15 prior to the crediting of the revenues to the road use
16 tax fund under section ~~423.24~~ 423.43, subsection 1,
17 paragraph "b", the treasurer of state shall credit
18 monthly the amount of the alternate fees collected in
19 the previous month to the state agency that
20 recommended the special registration plate.

21 Sec. 179. Section 321.34, subsection 21, paragraph
22 c, Code 2003, is amended to read as follows:

23 c. The special fees collected by the director
24 under this subsection shall be paid monthly to the
25 treasurer of state and credited to the road use tax
26 fund. Notwithstanding section ~~423.24~~ 423.43, and
27 prior to the crediting of revenues to the road use tax
28 fund under section ~~423.24~~ 423.43, subsection 1,
29 paragraph "b", the treasurer of state shall credit
30 monthly to the Iowa heritage fund created under
31 section 303.9a the amount of the special fees
32 collected in the previous month for the Iowa heritage
33 plates.

34 Sec. 180. Section 321.34, subsection 22, paragraph
35 b, Code 2003, is amended to read as follows:

36 b. The special school transportation fee for
37 letter number designated education plates is thirty-
38 five dollars. The fee for personalized education
39 plates is twenty-five dollars, which shall be paid in
40 addition to the special school transportation fee of
41 thirty-five dollars. The annual special school
42 transportation fee is ten dollars for letter number
43 designated registration plates and is fifteen dollars
44 for personalized registration plates which shall be
45 paid in addition to the regular annual registration
46 fee. The fees collected by the director under this
47 subsection shall be paid monthly to the treasurer of
48 state and credited to the road use tax fund.
49 Notwithstanding section ~~423.24~~ 423.43, and prior to
50 the crediting of revenues to the road use tax fund

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1 under section ~~423.24~~ 423.43, subsection 1, paragraph
2 "b", the treasurer of state shall transfer monthly
3 from those revenues to the school budget review
4 committee in accordance with section 257.31,
5 subsection 17, the amount of the special school
6 transportation fees collected in the previous month
7 for the education plates.

8 Sec. 181. Section 321F.9, Code 2003, is amended to
9 read as follows:

10 321F.9 OPTION TO PURCHASE – DEALER'S LICENSE.

11 Any person engaged in business in this state shall
12 not enter into any agreement for the use of a motor
13 vehicle under the terms of which ~~such~~ that person
14 grants to another an option to purchase ~~such~~ the motor
15 vehicle without first having obtained a motor vehicle
16 dealer's license under the provisions of chapter 322,
17 and all sales of motor vehicles under such options
18 shall be subject to sales or use taxes imposed under
19 the provisions of ~~chapters 422 and~~ chapter 423.
20 Nothing contained in this section shall require such
21 person to have a place of business as provided by
22 section 322.6, subsection 8.

23 Sec. 182. Section 327I.26, Code 2003, is amended
24 to read as follows:

25 327I.26 APPROPRIATION TO AUTHORITY.

26 Notwithstanding section ~~423.24~~ 423.43, and prior to
27 the application of section ~~423.24~~ 423.43, subsection
28 1, paragraph "b", there shall be deposited into the
29 general fund of the state and is appropriated to the
30 authority from eighty percent of the revenues derived
31 from the operation of section ~~423.7~~ 423.26, the
32 amounts certified by the authority under section
33 327I.25. However, the total amount deposited into the
34 general fund and appropriated to the Iowa railway
35 finance authority under this section shall not exceed
36 two million dollars annually. Moneys appropriated to
37 the Iowa railway finance authority under this section
38 are appropriated only for the payment of principal and
39 interest on obligations or the payment of leases
40 guaranteed by the authority as provided under section
41 327I.25.

42 Sec. 183. Section 328.26, unnumbered paragraph 2,
43 Code 2003, is amended to read as follows:

44 When an aircraft is registered to a person for the
45 first time the fee submitted to the department shall
46 include the tax imposed by section ~~422.43~~ 423.2 or
47 section ~~423.2~~ 423.5 or evidence of the exemption of
48 the aircraft from the tax imposed under section ~~422.43~~
49 423.2 or ~~423.2~~ 423.5.

50 Sec. 184. Section 331.557, subsection 3, Code

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1 2003, is amended to read as follows:

2 3. Collect the use tax on vehicles subject to
3 registration as provided in sections ~~423.6, 423.7, and~~
4 ~~423.7a 423.14, 423.26, and 423.27.~~

5 Sec. 185. Section 357A.15, unnumbered paragraph 2,
6 Code 2003, is amended to read as follows:

7 A rural water district organized under chapter 504A
8 shall receive a refund of sales or use taxes upon
9 submitting an application to the department of revenue
10 and finance for ~~such~~ the refund of taxes imposed upon
11 the ~~gross receipts~~ sales price of all sales of
12 building materials, supplies, or equipment sold to a
13 contractor or used in the fulfillment of a written
14 contract for the construction of facilities for ~~such~~
15 the rural water district to the same extent as a rural
16 water district organized under this chapter may obtain
17 a refund under section ~~422.45 423.4~~, subsection ~~7 1~~.

18 Sec. 186. Section 421.10, Code 2003, is amended to
19 read as follows:

20 421.10 APPEAL PERIOD – APPLICABILITY.

21 The appeal period for revision of assessment of
22 tax, interest, and penalties set out under section
23 ~~422.28, 422.54 423.37~~, 437A.9, 437A.22, 452A.64,
24 453A.29, or 453A.46 applies to appeals to notices from
25 the department denying changes in filing methods,
26 denying refund claims, and denying portions of refund
27 claims for the tax covered by that section, and
28 notices of any department action directed to a
29 specific taxpayer, other than licensing, which
30 involves a calculation.

31 Sec. 187. Section 421.17, subsection 22B, Code
32 2003, is amended to read as follows:

33 22B. ~~Enter~~ To enter into agreements or compacts
34 with remote sellers, retailers, or third-party
35 providers for the voluntary collection of Iowa sales
36 or use taxes attributable to sales into Iowa ~~and to~~
37 enter. The director has the authority to enter into
38 and perform all duties required of the office of
39 director by multistate agreements or compacts that
40 provide for the voluntary collection of sales and use
41 taxes, including joint audits with other states or
42 audits on behalf of other states. The agreements or
43 compacts shall generally conform to the provisions of
44 Iowa sales and use tax statutes. All fees for
45 services, reimbursements, remuneration, incentives,
46 and costs incurred by the department associated with
47 these agreements or compacts may be paid or reimbursed
48 from the additional revenue generated. An amount is
49 appropriated from amounts generated to pay or
50 reimburse all costs associated with this subsection.

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1 Persons entering into an agreement or compact with the
2 department pursuant to this subsection are subject to
3 the requirements and penalties of the confidentiality
4 laws of this state regarding tax information.
5 Notwithstanding any other provisions of law, the
6 contract, agreement, or compact shall provide for the
7 registration, collection, report, and verification of
8 amounts subject to this subsection.

9 Sec. 188. Section 421.17, subsection 29, paragraph
10 j, Code 2003, is amended to read as follows:

11 j. The department's existing right to credit
12 against tax due or to become due under section 422.73
13 or 423.47 is not to be impaired by a right granted to
14 or a duty imposed upon the department or other state
15 agency by this subsection. This subsection is not
16 intended to impose upon the department any additional
17 requirement of notice, hearing, or appeal concerning
18 the right to credit against tax due under section
19 422.73 or 423.47.

20 Sec. 189. Section 421.17, subsection 34, paragraph
21 i, Code 2003, is amended to read as follows:

22 i. The director may distribute to credit reporting
23 entities and for publication the names, addresses, and
24 amounts of indebtedness owed to or being collected by
25 the state if the indebtedness is subject to the
26 centralized debt collection procedure established in
27 this subsection. The director shall adopt rules to
28 administer this paragraph, and the rules shall provide
29 guidelines by which the director shall determine which
30 names, addresses, and amounts of indebtedness may be
31 distributed for publication. The director may
32 distribute information for publication pursuant to
33 this paragraph, notwithstanding sections 422.20,
34 422.72, and ~~423.23~~ 423.42, or any other provision of
35 state law to the contrary pertaining to
36 confidentiality of information.

37 Sec. 190. Section 421.26, Code 2003, is amended to
38 read as follows:

39 421.26 PERSONAL LIABILITY FOR TAX DUE.

40 If a licensee or other person under section
41 452A.65, a retailer or purchaser under chapter 422a or
42 422B, or section ~~422.52~~ 423.31 or 423.33, or a
43 retailer or purchaser under section ~~423.13~~ 423.32 or a
44 user under section ~~423.14~~ 423.34 fails to pay a tax
45 under those sections when due, an officer of a
46 corporation or association, notwithstanding sections
47 490A.601 and 490A.602, a member or manager of a
48 limited liability company, or a partner of a
49 partnership, having control or supervision of or the
50 authority for remitting the tax payments and having a

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1 substantial legal or equitable interest in the
2 ownership of the corporation, association, limited
3 liability company, or partnership, who has
4 intentionally failed to pay the tax is personally
5 liable for the payment of the tax, interest, and
6 penalty due and unpaid. However, this section shall
7 not apply to taxes on accounts receivable. The
8 dissolution of a corporation, association, limited
9 liability company, or partnership shall not discharge
10 a person's liability for failure to remit the tax due.

11 Sec. 191. Section 421.28, Code 2003, is amended to
12 read as follows:

13 421.28 EXCEPTIONS TO SUCCESSOR LIABILITY.

14 The immediate successor to a licensee's or
15 retailer's business or stock of goods under chapter
16 422a or 422B, or section ~~422.52, 423.13, 423.14,~~
17 ~~423.33~~ or 452A.65, is not personally liable for the
18 amount of delinquent tax, interest, or penalty due and
19 unpaid if the immediate successor shows that the
20 purchase of the business or stock of goods was made in
21 good faith that no delinquent tax, interest, or
22 penalty was due and unpaid. For purposes of this
23 section the immediate successor shows good faith by
24 evidence that the department had provided the
25 immediate successor with a certified statement that no
26 delinquent tax, interest, or penalty is unpaid, or
27 that the immediate successor had taken in good faith a
28 certified statement from the licensee, retailer, or
29 seller that no delinquent tax, interest, or penalty is
30 unpaid. When requested to do so by a person with whom
31 the licensee or retailer is negotiating the sale of
32 the business or stock of goods, the director of
33 revenue and finance shall, upon being satisfied that
34 such a situation exists, inform that person as to the
35 amount of unpaid delinquent tax, interest, or penalty
36 due by the licensee or the retailer. The giving of
37 the information under this circumstance is not a
38 violation of section 422.20, 422.72, or 452A.63.

39 Sec. 192. Section 421B.11, unnumbered paragraph 3,
40 Code 2003, is amended to read as follows:

41 Judicial review of the actions of the director may
42 be sought in accordance with the terms of the Iowa
43 administrative procedure Act, and section ~~422.55~~
44 ~~423.38~~.

45 Sec. 193. Section 422.7, subsection 21, paragraph
46 a, subparagraph (1), unnumbered paragraph 1, Code
47 2003, is amended to read as follows:

48 Net capital gain from the sale of real property
49 used in a business, in which the taxpayer materially
50 participated for ten years, as defined in section

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1 469(h) of the Internal Revenue Code, and which has
2 been held for a minimum of ten years, or from the sale
3 of a business, as defined in section ~~422.42~~ 423.1, in
4 which the taxpayer was employed or in which the
5 taxpayer materially participated for ten years, as
6 defined in section 469(h) of the Internal Revenue
7 Code, and which has been held for a minimum of ten
8 years. The sale of a business means the sale of all
9 or substantially all of the tangible personal property
10 or service of the business.

11 Sec. 194. Section 422.73, subsection 1, Code 2003,
12 is amended by striking the subsection.

13 Sec. 195. Section 422A.1, unnumbered paragraphs 1,
14 3, 7, and 8, Code 2003, are amended to read as
15 follows:

16 A city or county may impose by ordinance of the
17 city council or by resolution of the board of
18 supervisors a hotel and motel tax, at a rate not to
19 exceed seven percent, which shall be imposed in
20 increments of one or more full percentage points upon
21 the ~~gross receipts~~ sales price from the renting of
22 sleeping rooms, apartments, or sleeping quarters in a
23 hotel, motel, inn, public lodging house, rooming
24 house, manufactured or mobile home which is tangible
25 personal property, or tourist court, or in any place
26 where sleeping accommodations are furnished to
27 transient guests for rent, whether with or without
28 meals; except the ~~gross receipts~~ sales price from the
29 renting of sleeping rooms in dormitories and in
30 memorial unions at all universities and colleges
31 located in the state of Iowa and the guests of a
32 religious institution if the property is exempt under
33 section 427.1, subsection 8, and the purpose of
34 renting is to provide a place for a religious retreat
35 or function and not a place for transient guests
36 generally. The tax when imposed by a city shall apply
37 only within the corporate boundaries of that city and
38 when imposed by a county shall apply only outside
39 incorporated areas within that county. "Renting" and
40 "rent" include any kind of direct or indirect charge
41 for such sleeping rooms, apartments, or sleeping
42 quarters, or their use. However, the tax does not
43 apply to the ~~gross receipts~~ sales price from the
44 renting of a sleeping room, apartment, or sleeping
45 quarters while rented by the same person for a period
46 of more than thirty-one consecutive days.

47 a local hotel and motel tax shall be imposed on
48 January 1, April 1, July 1, or October 1, following
49 the notification of the director of revenue and
50 finance. Once imposed, the tax shall remain in effect

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1 at the rate imposed for a minimum of one year. A
2 local hotel and motel tax shall terminate only on
3 March 31, June 30, September 30, or December 31. At
4 least ~~forty-five~~ sixty days prior to the tax being
5 effective or prior to a revision in the tax rate, or
6 prior to the repeal of the tax, a city or county shall
7 provide notice by mail of such action to the director
8 of revenue and finance.

9 No tax permit other than the state sales tax permit
10 required under section ~~422.53~~ 423.36 may be required
11 by local authorities.

12 The tax levied shall be in addition to any state
13 sales tax imposed under section ~~422.43~~ 423.2. Section
14 422.25, subsection 4, sections 422.30, ~~422.48 to~~
15 ~~422.52, 422.54 to 422.58,~~ 422.67, and 422.68, section
16 422.69, subsection 1, and sections 422.70 to 422.75,
17 section 423.14, subsection 1, and sections 423.23,
18 423.24, 423.25, 423.31, 423.33, 423.35, 423.37 to
19 423.42, and 423.47, consistent with the provisions of
20 this chapter, apply with respect to the taxes
21 authorized under this chapter, in the same manner and
22 with the same effect as if the hotel and motel taxes
23 were retail sales taxes within the meaning of those
24 statutes. Notwithstanding this paragraph, the
25 director shall provide for quarterly filing of returns
26 ~~as prescribed in section 422.51~~ and for other than
27 quarterly filing of returns both as prescribed in
28 section ~~422.51, subsection 2~~ 423.31. The director may
29 require all persons, as defined in section ~~422.42~~
30 423.1, who are engaged in the business of deriving
31 ~~gross receipts~~ any sales price subject to tax under
32 this chapter, to register with the department.

33 Sec. 196. Section 422B.8, Code 2003, is amended to
34 read as follows:

35 422B.8 LOCAL SALES AND SERVICES TAX.

36 a local sales and services tax at the rate of not
37 more than one percent may be imposed by a county on
38 the ~~gross receipts~~ sales price taxed by the state
39 under chapter ~~422~~ 423, ~~division IV~~ subchapter II. A
40 local sales and services tax shall be imposed on the
41 same basis as the state sales and services tax or in
42 the case of the use of natural gas, natural gas
43 service, electricity, or electric service on the same
44 basis as the state use tax and shall not be imposed on
45 the sale of any property or on any service not taxed
46 by the state, except the tax shall not be imposed on
47 the ~~gross receipts~~ sales price from the sale of motor
48 fuel or special fuel as defined in chapter 452a which
49 is consumed for highway use or in watercraft or
50 aircraft if the fuel tax is paid on the transaction

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1 and a refund has not or will not be allowed, on the
2 ~~gross receipts~~ sales price from the rental of rooms,
3 apartments, or sleeping quarters which are taxed under
4 chapter 422a during the period the hotel and motel tax
5 is imposed, on the ~~gross receipts~~ sales price from the
6 sale of equipment by the state department of
7 transportation, on the ~~gross receipts~~ sales price from
8 the sale of self-propelled building equipment, pile
9 drivers, motorized scaffolding, or attachments
10 customarily drawn or attached to self-propelled
11 building equipment, pile drivers, and motorized
12 scaffolding, including auxiliary attachments which
13 improve the performance, safety, operation, or
14 efficiency of the equipment and replacement parts and
15 are directly and primarily used by contractors,
16 subcontractors, and builders for new construction,
17 reconstruction, alterations, expansion, or remodeling
18 of real property or structures, and on the ~~gross~~
19 ~~receipts~~ sales price from the sale of a lottery ticket
20 or share in a lottery game conducted pursuant to
21 chapter 99E and except the tax shall not be imposed on
22 the ~~gross receipts~~ sales price from the sale or use of
23 natural gas, natural gas service, electricity, or
24 electric service in a city or county where the ~~gross~~
25 ~~receipts~~ sales price from the sale of natural gas or
26 electric energy are subject to a franchise fee or user
27 fee during the period the franchise or user fee is
28 imposed. A local sales and services tax is applicable
29 to transactions within those incorporated and
30 unincorporated areas of the county where it is imposed
31 and shall be collected by all persons required to
32 collect state ~~gross receipts~~ sales taxes. However, a
33 person required to collect state retail sales tax
34 under chapter ~~422~~ ~~423~~, ~~division IV~~ subchapter V or VI,
35 is not required to collect local sales and services
36 tax on transactions delivered within the area where
37 the local sales and services tax is imposed unless the
38 person has physical presence in that taxing area. All
39 cities contiguous to each other shall be treated as
40 part of one incorporated area and the tax would be
41 imposed in each of those contiguous cities only if the
42 majority of those voting in the total area covered by
43 the contiguous cities favor its imposition.

44 The amount of the sale, for purposes of determining
45 the amount of the local sales and services tax, does
46 not include the amount of any state ~~gross receipts~~
47 ~~taxes~~ sales tax.

48 A tax permit other than the state sales tax permit
49 required under section ~~422.53~~ ~~or 423.10~~ 423.36 shall
50 not be required by local authorities.

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1 If a local sales and services tax is imposed by a
2 county pursuant to this chapter, a local excise tax at
3 the same rate shall be imposed by the county on the
4 purchase price of natural gas, natural gas service,
5 electricity, or electric service subject to tax under
6 chapter 423, subchapter III, and not exempted from tax
7 by any provision of chapter 423, subchapter III. The
8 local excise tax is applicable only to the use of
9 natural gas, natural gas service, electricity, or
10 electric service within those incorporated and
11 unincorporated areas of the county where it is imposed
12 and, except as otherwise provided in this chapter,
13 shall be collected and administered in the same manner
14 as the local sales and services tax. For purposes of
15 this chapter, "local sales and services tax" shall
16 also include the local excise tax.

17 Sec. 197. Section 422B.9, subsections 1 and 2,
18 Code 2003, are amended to read as follows:

19 1. a. A local sales and services tax shall be
20 imposed either January 1 or July 1 following the
21 notification of the director of revenue and finance
22 but not sooner than ninety days following the
23 favorable election and not sooner than sixty days
24 following notice to sellers, as defined in section
25 423.1. However, a jurisdiction which has voted to
26 continue imposition of the tax may impose that tax
27 without repeal of the prior tax.

28 b. A local sales and services tax shall be
29 repealed only on June 30 or December 31 but not sooner
30 than ninety days following the favorable election if
31 one is held. However, a local sales and services tax
32 shall not be repealed before the tax has been in
33 effect for one year. At least forty days before the
34 imposition or repeal of the tax, a county shall
35 provide notice of the action by certified mail to the
36 director of revenue and finance.

37 c. The imposition of or a rate change for a local
38 sales and service tax shall not be applied to
39 purchases from a printed catalog wherein a purchaser
40 computes the local tax based on rates published in the
41 catalog unless a minimum of one hundred twenty days'
42 notice of the imposition or rate change has been given
43 to the seller from the catalog and the first day of a
44 calendar quarter has occurred on or after the one
45 hundred twentieth day.

46 e. d. If a local sales and services tax has been
47 imposed prior to April 1, 2000, and at the time of the
48 election a date for repeal was specified on the
49 ballot, the local sales and services tax may be
50 repealed on that date, notwithstanding paragraph "b".

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1 2. a. The director of revenue and finance shall
2 administer a local sales and services tax as nearly as
3 possible in conjunction with the administration of
4 state ~~gross receipts~~ sales tax laws. The director
5 shall provide appropriate forms or provide on the
6 regular state tax forms for reporting local sales and
7 services tax liability.

8 b. The ordinance of a county board of supervisors
9 imposing a local sales and services tax shall adopt by
10 reference the applicable provisions of the appropriate
11 sections of ~~chapter 422, division IV, and chapter 423.~~
12 All powers and requirements of the director to
13 administer the state ~~gross receipts~~ sales tax law and
14 use tax law are applicable to the administration of a
15 local sales and services tax law and the local excise
16 tax, including but not limited to, the provisions of
17 section 422.25, subsection 4, sections 422.30, ~~422.48~~
18 ~~to 422.52, 422.54 to 422.58, 422.67, and 422.68,~~
19 section 422.69, subsection 1, sections 422.70 to
20 422.75, 423.6, subsections 2 to 4, and sections 423.11
21 to 423.18, and 423.21 section 423.14, subsection 1 and
22 subsection 2, paragraphs "b" through "e", and sections
23 423.15, 423.23, 423.24, 423.25, 423.31 to 423.35,
24 423.37 to 423.42, 423.46, and 423.47. Local officials
25 shall confer with the director of revenue and finance
26 for assistance in drafting the ordinance imposing a
27 local sales and services tax. A certified copy of the
28 ordinance shall be filed with the director as soon as
29 possible after passage.

30 c. Frequency of deposits and quarterly reports of
31 a local sales and services tax with the department of
32 revenue and finance are governed by the tax provisions
33 in section ~~422.52~~ 423.31. Local tax collections shall
34 not be included in computation of the total tax to
35 determine frequency of filing under section ~~422.52~~
36 423.31.

37 d. The director shall apply a boundary change of a
38 county or city imposing or collecting the local sales
39 and service tax to the imposition or collection of
40 that tax only on the first day of a calendar quarter
41 which occurs sixty days or more after the director has
42 given notice of the boundary change to sellers.

43 Sec. 198. Section 422C.2, subsections 4 and 6,
44 Code 2003, are amended to read as follows:

45 4. "Person" means person as defined in section
46 ~~422.42~~ 423.1.

47 6. "Rental price" means the consideration for
48 renting an automobile valued in money, and means the
49 same as "~~gross taxable services~~" "sales price" as
50 defined in section ~~422.42~~ 423.1.

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1 Sec. 199. Section 422C.3, Code 2003, is amended to
2 read as follows:

3 422C.3 TAX ON RENTAL OF AUTOMOBILES.

4 1. A tax of five percent is imposed upon the
5 rental price of an automobile if the rental
6 transaction is subject to the sales and services tax
7 under chapter ~~422 423~~, ~~division IV subchapter II~~, or
8 the use tax under chapter ~~423~~, ~~subchapter III~~. The
9 tax shall not be imposed on any rental transaction not
10 taxable under the state sales and services tax, as
11 provided in section ~~422.45~~ ~~423.3~~, or the state use
12 tax, as provided in section ~~423.4~~ ~~423.6~~, on automobile
13 rental receipts.

14 2. The lessor shall collect the tax by adding the
15 tax to the rental price of the automobile.

16 3. The tax, when collected, shall be stated as a
17 distinct item separate and apart from the rental price
18 of the automobile and the sales and services tax
19 imposed under chapter ~~422 423~~, ~~division IV subchapter~~
20 ~~II~~, or the use tax imposed under chapter 423,
21 ~~subchapter III~~.

22 Sec. 200. Section 422C.4, Code 2003, is amended to
23 read as follows:

24 422C.4 ADMINISTRATION AND ENFORCEMENT.

25 All powers and requirements of the director of
26 revenue and finance to administer the state ~~gross~~
27 ~~receipts~~ ~~sales~~ tax law under chapter ~~422~~, ~~division IV~~,
28 ~~423~~ are applicable to the administration of the tax
29 imposed under section 422C.3, including but not
30 limited to section 422.25, subsection 4, sections
31 422.30, ~~422.48 through 422.52~~, ~~422.54 through 422.58~~,
32 422.67, and 422.68, ~~section 422.69~~, subsection 1, and
33 sections 422.70 through 422.75, ~~section 423.14~~,
34 ~~subsection 1~~, and sections 423.15, 423.23, 423.24,
35 423.25, 423.31, 423.33, 423.35 and 423.37 through
36 423.42, 423.45, 423.46, and 423.47. However, as an
37 exception to the powers specified in section ~~422.52~~,
38 ~~subsection 1~~ 423.31, the director shall only require
39 the filing of quarterly reports.

40 Sec. 201. Section 422E.1, subsection 1, is amended
41 to read as follows:

42 1. A local sales and services tax for school
43 infrastructure purposes may be imposed by a county on
44 behalf of school districts as provided in this
45 chapter.

46 If a local sales and services tax for school
47 infrastructure is imposed by a county pursuant to this
48 chapter, a local excise tax for school infrastructure
49 at the same rate shall be imposed by the county on the
50 purchase price of natural gas, natural gas service,

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1 electricity, or electric service subject to tax under
2 chapter 423, subchapter III, and not exempted from tax
3 by any provision of chapter 423, subchapter III. The
4 local excise tax for school infrastructure is
5 applicable only to the use of natural gas, natural gas
6 service, electricity, or electric service within those
7 incorporated and unincorporated areas of the county
8 where it is imposed and, except as otherwise provided
9 in this chapter, shall be collected and administered
10 in the same manner as the local sales and services tax
11 for school infrastructure. For purposes of this
12 chapter, "local sales and services tax for school
13 infrastructure" shall also include the local excise
14 tax for school infrastructure.

15 Sec. 202. Section 422E.3, subsections 1, 2, and 3,
16 Code 2003, are amended to read as follows:

17 1. If a majority of those voting on the question
18 of imposition of a local sales and services tax for
19 school infrastructure purposes favors imposition of
20 the tax, the tax shall be imposed by the county board
21 of supervisors within the county pursuant to section
22 422E.2, at the rate specified for a ten-year duration
23 on the ~~gross receipts~~ sales price taxed by the state
24 under chapter ~~422~~ 423, ~~division IV~~ subchapter II.

25 2. The tax shall be imposed on the same basis as
26 the state sales and services tax or in the case of the
27 use of natural gas, natural gas service, electricity,
28 or electric service on the same basis as the state use
29 tax and shall not be imposed on the sale of any
30 property or on any service not taxed by the state,
31 except the tax shall not be imposed on the ~~gross~~
32 receipts sales price from the sale of motor fuel or
33 special fuel as defined in chapter 452a which is
34 consumed for highway use or in watercraft or aircraft
35 if the fuel tax is paid on the transaction and a
36 refund has not or will not be allowed, on the ~~gross~~
37 receipts sales price from the rental of rooms,
38 apartments, or sleeping quarters which are taxed under
39 chapter 422A during the period the hotel and motel tax
40 is imposed, on the ~~gross receipts~~ sales price from the
41 sale of equipment by the state department of
42 transportation, on the ~~gross receipts~~ sales price from
43 the sale of self-propelled building equipment, pile
44 drivers, motorized scaffolding, or attachments
45 customarily drawn or attached to self-propelled
46 building equipment, pile drivers, and motorized
47 scaffolding, including auxiliary attachments which
48 improve the performance, safety, operation, or
49 efficiency of the equipment, and replacement parts and
50 are directly and primarily used by contractors,

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1 subcontractors, and builders for new construction,
2 reconstruction, alterations, expansion, or remodeling
3 of real property or structures, and on the ~~gross~~
4 ~~receipts~~ sales price from the sale of a lottery ticket
5 or share in a lottery game conducted pursuant to
6 chapter 99E and except the tax shall not be imposed on
7 the ~~gross receipts~~ sales price from the sale or use of
8 natural gas, natural gas service, electricity, or
9 electric service in a city or county where the ~~gross~~
10 ~~receipts~~ sales price from the sale of natural gas or
11 electric energy are subject to a franchise fee or user
12 fee during the period the franchise or user fee is
13 imposed.

14 3. The tax is applicable to transactions within
15 the county where it is imposed and shall be collected
16 by all persons required to collect state ~~gross~~
17 ~~receipts~~ sales or local excise taxes. However, a
18 person required to collect state ~~retail~~ sales tax
19 under chapter ~~422, division IV, 423~~ is not required to
20 collect local sales and services tax on transactions
21 delivered within the area where the local sales and
22 services tax is imposed unless the person has physical
23 presence in that taxing area. The amount of the sale,
24 for purposes of determining the amount of the tax,
25 does not include the amount of any state ~~gross~~
26 ~~receipts~~ sales taxes or excise taxes or other local
27 option sales or excise taxes. A tax permit other than
28 the state tax permit required under section ~~422.53 or~~
29 ~~423.10~~ 423.36 shall not be required by local
30 authorities.

31 Sec. 203. Section 425.30, Code 2003, is amended to
32 read as follows:

33 425.30 NOTICES.

34 Section ~~422.57~~ 423.39, subsection 1, shall apply to
35 all notices under this division.

36 Sec. 204. Section 425.31, Code 2003, is amended to
37 read as follows:

38 425.31 APPEALS.

39 Any person aggrieved by an act or decision of the
40 director of revenue and finance or the department of
41 revenue and finance under this division shall have the
42 same rights of appeal and review as provided in
43 sections 421.1 and ~~422.55~~ 423.38 and the rules of the
44 department of revenue and finance.

45 Sec. 205. Section 452A.66, unnumbered paragraph 1,
46 Code 2003, is amended to read as follows:

47 The appropriate state agency shall administer the
48 taxes imposed by this chapter in the same manner as
49 and subject to section 422.25, subsection 4 and
50 section ~~422.52, subsection 3~~ 423.35.

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1 Sec. 206. Section 455B.455, Code 2003, is amended
2 to read as follows:

3 455B.455 SURCHARGE IMPOSED.

4 A land burial surcharge tax of two percent is
5 imposed on the fee for land burial of a hazardous
6 waste. The owner of the land burial facility shall
7 remit the tax collected to the director of revenue and
8 finance after consultation with the director according
9 to rules that the director shall adopt. The director
10 shall forward a copy of the site license to the
11 director of revenue and finance which shall be the
12 appropriate license for the collection of the land
13 burial surcharge tax and shall be subject to
14 suspension or revocation if the site license holder
15 fails to collect or remit the tax collected under this
16 section. The provisions of ~~sections~~ section 422.25,
17 subsection 4, sections 422.30, 422.48 to 422.52,
18 422.54 to 422.58, 422.67, and 422.68, section 422.69,
19 subsection 1, and sections 422.70 to 422.75, section
20 423.14, subsection 1, and sections 423.23, 423.24,
21 423.25, 423.31, 423.33, 423.35, 423.37 to 423.42, and
22 423.47, consistent with the provisions of this part 6
23 of division IV, shall apply with respect to the taxes
24 authorized under this part, in the same manner and
25 with the same effect as if the land burial surcharge
26 tax were ~~retail~~ sales taxes within the meaning of
27 those statutes. Notwithstanding the provisions of
28 ~~this paragraph~~ section, the director shall provide for
29 only quarterly filing of returns as prescribed in
30 ~~section 422.51~~ 423.31. Taxes collected by the
31 director of revenue and finance under this section
32 shall be deposited in the general fund of the state.

33 Sec. 207. Section 455G.3, subsection 1, Code 2003,
34 is amended to read as follows:

35 1. The Iowa comprehensive petroleum underground
36 storage tank fund is created as a separate fund in the
37 state treasury, and any funds remaining in the fund at
38 the end of each fiscal year shall not revert to the
39 general fund but shall remain in the Iowa
40 comprehensive petroleum underground storage tank fund.
41 Interest or other income earned by the fund shall be
42 deposited in the fund. The fund shall include moneys
43 credited to the fund under this section, section
44 ~~423.24~~ 423.43, subsection 1, paragraph "a", and
45 sections 455G.8, 455G.9, and 455G.11, and other funds
46 which by law may be credited to the fund. The moneys
47 in the fund are appropriated to and for the purposes
48 of the board as provided in this chapter. Amounts in
49 the fund shall not be subject to appropriation for any
50 other purpose by the general assembly, but shall be

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1 used only for the purposes set forth in this chapter.
2 The treasurer of state shall act as custodian of the
3 fund and disburse amounts contained in it as directed
4 by the board including automatic disbursements of
5 funds as received pursuant to the terms of bond
6 indentures and documents and security provisions to
7 trustees and custodians. The treasurer of state is
8 authorized to invest the funds deposited in the fund
9 at the direction of the board and subject to any
10 limitations contained in any applicable bond
11 proceedings. The income from such investment shall be
12 credited to and deposited in the fund. The fund shall
13 be administered by the board which shall make
14 expenditures from the fund consistent with the
15 purposes of the programs set out in this chapter
16 without further appropriation. The fund may be
17 divided into different accounts with different
18 depositories as determined by the board and to fulfill
19 the purposes of this chapter.

20 Sec. 208. Section 455G.6, subsection 4, Code 2003,
21 is amended to read as follows:

22 4. Grant a mortgage, lien, pledge, assignment, or
23 other encumbrance on one or more improvements,
24 revenues, asset of right, accounts, or funds
25 established or received in connection with the fund,
26 including revenues derived from the use tax under
27 section ~~423.24~~ 423.43, subsection 1, paragraph "a",
28 and deposited in the fund or an account of the fund.

29 Sec. 209. Section 455G.8, subsection 2, Code 2003,
30 is amended to read as follows:

31 2. USE TAX. The revenues derived from the use tax
32 imposed under chapter 423, subchapter III. The
33 proceeds of the use tax under section ~~423.24~~ 423.43,
34 subsection 1, paragraph "a", shall be allocated,
35 consistent with this chapter, among the fund's
36 accounts, for debt service and other fund expenses,
37 according to the fund budget, resolution, trust
38 agreement, or other instrument prepared or entered
39 into by the board or authority under direction of the
40 board.

41 Sec. 210. Section 455G.9, subsection 2, Code 2003,
42 is amended to read as follows:

43 2. REMEDIAL ACCOUNT FUNDING. The remedial account
44 shall be funded by that portion of the proceeds of the
45 use tax imposed under chapter 423, subchapter III, and
46 other moneys and revenues budgeted to the remedial
47 account by the board.

48 Sec. 211. Section 2.67, Code 2003, is repealed.

49 Sec. 212. CODE EDITOR DIRECTIVE. The Code editor
50 is directed to transfer Code chapter 423a to Code

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1 chapter 421A and to transfer Code chapters 422A, 422B,
2 422C, and 422E to Code chapters 423A, 423B, 423C, and
3 423E, respectively. The Code editor is directed to
4 correct Code references as required due to the changes
5 made in this Act.

6 SALES TAX ADVISORY COUNCIL
7 Sec. 213. IOWa STREAMLINED SALES TAX ADVISORY
8 COUNCIL.

9 1. An Iowa streamlined sales tax advisory council
10 is created. The advisory council shall review, study,
11 and submit recommendations to the Iowa streamlined
12 sales and use tax delegation regarding the proposed
13 streamlined sales and use tax agreement formalized by
14 the project's implementing sales on November 12, 2002,
15 the proposed language conforming Iowa's sales and use
16 tax to the national agreement, and the following
17 issues:

18 a. Uniform definitions proposed in the current
19 streamlined sales and use tax agreement and future
20 proposals.

21 b. Effects upon taxability of items newly defined
22 in Iowa.

23 c. Impacts upon business as a result of the
24 streamlined sales and use tax.

25 d. Technology implementation issues.

26 e. Any other issues that are brought before the
27 streamlined sales and use tax implementing state or
28 the streamlined sales and use tax governing board.

29 2. The department shall provide administrative
30 support to the Iowa streamlined sales tax advisory
31 council. The advisory council shall be representative
32 of Iowa's business community and economy when
33 reviewing and recommending solutions to streamlined
34 sales and use tax issues. The advisory council shall
35 provide the general assembly and the governor with
36 final recommendations made to the Iowa streamlined
37 sales and use tax delegation upon the conclusion of
38 each calendar year.

39 3. The director of revenue, in consultation with
40 the Iowa taxpayers association and the Iowa
41 association of business and industry, shall appoint
42 members to the Iowa streamlined sales tax advisory
43 council, which shall consist of the following members:

44 a. One member from the department of revenue and
45 finance.

46 b. Three members representing small Iowa
47 businesses, at least one of whom must be a retailer,
48 and at least one of whom shall be a supplier.

49 c. Three members representing medium Iowa
50 businesses, at least one of whom shall be a retailer,

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- 1 and at least one of whom shall be a supplier.
- 2 d. Three members representing large Iowa
- 3 businesses, at least one of whom shall be a retailer,
- 4 and at least one of whom shall be a supplier.
- 5 e. One member representing taxpayers as a whole.
- 6 f. One member representing the retail community as
- 7 a whole.

8 g. Any other member the director of revenue and
9 finance deems appropriate.

10 Sec. 214. EFFECTIVE DATE. Except for the section
11 creating the Iowa streamlined sales tax advisory
12 council, this division of this Act takes effect July
13 1, 2004.

14 DIVISION XVI

15 WIND ENERGY PRODUCTION TAX CREDIT

16 Sec. 215. NEW SECTION. 422.11H WIND ENERGY
17 PRODUCTION TAX CREDIT.

18 The taxes imposed under this division, less the
19 credits allowed under sections 422.12 and 422.12B,
20 shall be reduced by a wind energy production tax
21 credit allowed under chapter 476B.

22 Sec. 216. Section 422.33, Code 2003, is amended by
23 adding the following new subsection:

24 NEW SUBSECTION. 14. The taxes imposed under this
25 division shall be reduced by a wind energy production
26 tax credit allowed under chapter 476B.

27 Sec. 217. Section 422.60, Code 2003, is amended by
28 adding the following new subsection:

29 NEW SUBSECTION. 7. The taxes imposed under this
30 division shall be reduced by a wind energy production
31 tax credit allowed under chapter 476B.

32 Sec. 218. NEW SECTION. 432.12D WIND ENERGY
33 PRODUCTION TAX CREDIT.

34 The taxes imposed under this chapter shall be
35 reduced by a wind energy production tax credit allowed
36 under chapter 476B.

37 Sec. 219. NEW SECTION. 476B.1 DEFINITIONS.

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

- 40 1. "Board" means the utilities board within the
- 41 utilities division of the department of commerce.
- 42 2. "Department" means the department of revenue
- 43 and finance.
- 44 3. "Qualified electricity" means electricity
- 45 produced from wind at a qualified facility.
- 46 4. "Qualified facility" means an electrical
- 47 production facility that meets all of the following:
- 48 a. Produces electricity from wind.
- 49 b. Is located in Iowa.
- 50 c. Was originally placed in service on or after

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1 July 1, 2004, but before July 1, 2007.

2 Sec. 220. NEW SECTION. 476B.2 GENERAL RULE.

3 The owner of a qualified facility shall, for each
4 kilowatt-hour of qualified electricity that the owner
5 sells during the ten-year period beginning on the date
6 the qualified facility was originally placed in
7 service, be allowed a wind energy production tax
8 credit to the extent provided in this chapter against
9 the tax imposed in chapter 422, divisions II, III, and
10 V, and chapter 432.

11 Sec. 221. NEW SECTION. 476B.3 CREDIT AMOUNT.

12 The wind energy production tax credit allowed under
13 this chapter equals the product of one cent multiplied
14 by the number of kilowatt-hours of qualified
15 electricity sold by the owner during the taxable year.

16 Sec. 222. NEW SECTION. 476B.4 LIMITATIONS.

17 1. A. The wind energy production tax credit shall
18 not be allowed for any kilowatt-hour of electricity
19 produced on wind energy conversion property for which
20 the owner has claimed or otherwise received for that
21 property the benefit of special valuation under
22 section 427B.26 or section 441.21, subsection 8, or
23 the exemption from retail sales tax under section
24 422.45, subsection 48.

25 b. The disallowance of the tax credit pursuant to
26 paragraph "a" does not apply to an owner of a
27 qualified facility that owns, directly or indirectly,
28 in the aggregate, a total annual turbine nameplate
29 capacity of all such property of less than one
30 megawatt.

31 2. The wind energy production tax credit shall not
32 be allowed for any kilowatt-hour of electricity that
33 is sold to a related person. For purpose of this
34 subsection, persons shall be treated as related to
35 each other if such persons would be treated as a
36 single employer under the regulations prescribed under
37 section 52(b) of the Internal Revenue Code. In the
38 case of a corporation that is a member of an
39 affiliated group of corporations filing a consolidated
40 return, such corporation shall be treated as selling
41 electricity to an unrelated person if such electricity
42 is sold to such a person by another member of such
43 group.

44 Sec. 223. NEW SECTION. 476B.5 APPLICATION FOR
45 TAX CREDIT CERTIFICATES.

46 1. To receive the wind energy production tax
47 credit, an owner of the qualified facility must submit
48 an application for a tax credit certificate to the
49 board not later than thirty days after the close of
50 its taxable year. The owner's application must

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1 contain, but need not be limited to, all of the
2 following information: the owner's name, tax
3 identification number, and address, the number of
4 kilowatt-hours of qualified electricity sold by the
5 owner during the preceding taxable year, the address
6 of the qualified facility at which the qualified
7 electricity was produced, a certified statement of the
8 number, if any, of kilowatt-hours of electricity
9 produced on wind energy conversion property for which
10 the owner has claimed or otherwise received for that
11 property the benefit of special valuation under
12 section 427B.26 or section 441.21, subsection 8, or
13 the exemption from the retail sales tax under section
14 422.45, subsection 48, and the denomination that each
15 tax credit certificate is to carry.

16 1A. In addition to the information required in
17 subsection 1, the application shall specify the amount
18 of property taxes imposed by the school district,
19 city, and county on the wind energy conversion
20 property payable during the owner's taxable year. The
21 amount of property taxes imposed by the school
22 district, city, and county on such property that is
23 payable during the owner's taxable year shall be
24 computed as follows:

25 a. If the fiscal year for which such property
26 taxes are imposed ends during the taxable year, divide
27 the property taxes imposed by the school district,
28 city, and county payable in that fiscal year by twelve
29 and multiply the resulting quotient by the number of
30 months of the fiscal year ending in the taxable year.

31 b. If the fiscal year for which such property
32 taxes are imposed begins, but does not end, during the
33 taxable year, divide the property taxes imposed by the
34 school district, city, and county payable in that
35 fiscal year by twelve and multiply the resulting
36 quotient by the number of months of the fiscal year
37 ending in the taxable year.

38 c. Add the amounts determined pursuant to
39 paragraphs "a" and "b".

40 The application shall also contain the name of the
41 school district, city or cities, and county and the
42 portion of the total amount of paragraph "c" that was
43 imposed by each jurisdiction.

44 2. The board shall, in conjunction with the
45 department, prescribe appropriate forms and
46 instructions to enable owners to claim the tax credit
47 allowed under this chapter. If the board prescribes
48 these forms and instructions, an owner's application
49 for a tax credit certificate shall not be valid unless
50 made on and in accordance with these forms and

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1 instructions.

2 3. Within thirty days of the end of the owner's
3 eleventh and twelfth taxable years with respect to the
4 ownership of the qualified facility for which the
5 owner had previously received a tax credit, the owner
6 shall file with the board an "extra two year
7 information form". The form shall contain all
8 property tax information in subsection 1a and other
9 information deemed appropriate by the board or
10 treasurer of state for the owner's eleventh or twelfth
11 taxable year, as applicable.

12 Sec. 224. NEW SECTION. 476B.6 ISSUANCE OF TAX
13 CREDIT CERTIFICATES.

14 1. If the owner meets the criteria for eligibility
15 for the wind energy production tax credit, the board
16 shall determine the validity of the application and if
17 valid, shall issue one or more tax credit certificates
18 to the owner not later than thirty days after the
19 application is submitted to the board. Each tax
20 credit certificate must contain the owner's name,
21 address, and tax identification number, amount of tax
22 credits, and the expiration date of the tax credit
23 certificate, which shall be seven years from its date
24 of issuance and any other information required by the
25 department. Once issued by the board, the tax credit
26 certificate shall be binding on the board and the
27 department and shall not be modified, terminated, or
28 rescinded. Upon the issuance of the tax credit
29 certificate, the board shall forward to the treasurer
30 of state a copy of the information provided pursuant
31 to section 476B.5, subsection 1A, containing the
32 amount of property taxes payable during the owner's
33 taxable year which were levied on wind energy
34 conversion property for which the tax credit
35 certificates were issued. The board shall also
36 forward to the treasurer of state information provided
37 pursuant to section 476B.5, subsection 3, containing
38 the amount of property taxes payable during the
39 eleventh or twelfth taxable year.

40 2. If the tax credit application is filed by a
41 partnership, limited liability company, S corporation,
42 estate, trust, or other reporting entity all of the
43 income of which is taxed directly to its equity
44 holders or beneficiaries, the tax credit certificate
45 may, at the election of the owner, be issued directly
46 to equity holders or beneficiaries of the owner in
47 proportion to their pro rata share of the income of
48 such entity. If the owner elects to have the tax
49 credit certificate issued directly to its equity
50 holders or beneficiaries, the owner must, in the

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1 application made under section 476B.5, identify its
2 equity holders or beneficiaries, and the amount of
3 such entity's income that is allocable to each equity
4 holder or beneficiary.

5 Sec. 225. NEW SECTION. 476B.7 TRANSFER OF TAX
6 CREDIT CERTIFICATES.

7 Wind energy production tax credit certificates
8 issued under this chapter may be transferred to any
9 person or entity. Within thirty days of transfer, the
10 transferee must submit the transferred tax credit
11 certificate to the board along with a statement
12 containing the transferee's name, tax identification
13 number, and address, and the denomination that each
14 replacement tax credit certificate is to carry and any
15 other information required by the department. Within
16 thirty days of receiving the transferred tax credit
17 certificate and the transferee's statement, the board
18 shall issue one or more replacement tax credit
19 certificates to the transferee. Each replacement
20 certificate must contain the information required
21 under section 476B.6 and must have the same expiration
22 date that appeared in the transferred tax credit
23 certificate. Tax credit certificate amounts of less
24 than the minimum amount established by rule of the
25 board shall not be transferable. A tax credit shall
26 not be claimed by a transferee under this chapter
27 until a replacement tax credit certificate identifying
28 the transferee as the proper holder has been issued.
29 The tax credit shall only be transferred once. The
30 transferee may use the amount of the tax credit
31 transferred against the taxes imposed under chapter
32 422, divisions II, III, and V, and chapter 432 for any
33 tax year the original transferor could have claimed
34 the tax credit. Any consideration received for the
35 transfer of the tax credit shall not be included as
36 income under chapter 422, divisions II, III, and V.
37 Any consideration paid for the transfer of the tax
38 credit shall not be deducted from income under chapter
39 422, divisions II, III, and V.

40 Sec. 226. NEW SECTION. 476B.8 USE OF TAX CREDIT
41 CERTIFICATES.

42 To claim a wind energy production tax credit under
43 this chapter, a taxpayer must attach one or more tax
44 credit certificates to the taxpayer's tax return. A
45 tax credit certificate shall not be used or attached
46 to a return filed prior to July 1, 2005. The tax
47 credit certificate or certificates attached to the
48 taxpayer's tax return shall be issued in the
49 taxpayer's name, expire on or after the last day of
50 the taxable year for which the taxpayer is claiming

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1 the tax credit, and show a tax credit amount equal to
2 or greater than the tax credit claimed on the
3 taxpayer's tax return. Any tax credit in excess of
4 the taxpayer's tax liability for the taxable year may
5 be credited to the taxpayer's tax liability for the
6 following seven taxable years or until depleted,
7 whichever is the earlier.

8 Sec. 227. NEW SECTION. 476B.9 REGISTRATION OF
9 TAX CREDIT CERTIFICATES.

10 The board shall, in conjunction with the
11 department, develop a system for the registration of
12 the wind energy production tax credit certificates
13 issued or transferred under this chapter and a system
14 that permits verification that any tax credit claimed
15 on a tax return is valid and that transfers of the tax
16 credit certificates are made in accordance with the
17 requirements of this chapter. The tax credit
18 certificates issued under this chapter shall not be
19 classified as a security pursuant to chapter 502.

20 Sec. 228. NEW SECTION. 476B.10 PAYMENT TO STATE
21 OF PROPERTY TAXES COLLECTED.

22 1. a. By March 15 and September 15 of each year,
23 the treasurer of state shall notify each school
24 district, city, and county of the amount of property
25 taxes imposed by the jurisdiction on wind energy
26 conversion property for which tax credit certificates
27 have been issued under this chapter. The amount of
28 property taxes contained on the notice to the school
29 district, city, or county shall equal the amounts
30 received by the treasurer of state from the board
31 since the treasurer of state last sent out notices
32 pursuant to this subsection. The sending of a notice
33 shall constitute a demand for the payment of an amount
34 equal to the property taxes imposed on the wind energy
35 conversion property as specified in the notice.

36 b. In addition to the amount of property taxes
37 referred to in paragraph "a", the treasurer of state
38 shall notify each school district, city, and county of
39 the property taxes imposed on wind energy conversion
40 property for the owner's eleventh or twelfth taxable
41 year as specified pursuant to section 476B.5,
42 subsection 3.

43 2. A school district, city, or county to which a
44 notice under subsection 1 is sent shall remit to the
45 treasurer of state the amount of property taxes
46 imposed in the wind energy conversion property
47 specified in the notice by the end of the third month
48 following the month in which the notice is sent.
49 Interest for late payment shall be assessed at the
50 rate specified in section 421.7 for each month,

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1 counting a part of a month a whole month, after the
2 due date. Failure of the school district, city, or
3 county to receive the notice is not a defense to the
4 payment of the amount specified in the notice or for
5 any interest for late payment.

6 3. A school district, city, or county that remits
7 payments to the treasurer of state pursuant to
8 subsection 2 in a fiscal year may adjust its budget or
9 certified budget, notwithstanding any provision of
10 law, to compensate for such payments.

11 Sec. 229. EFFECTIVE AND APPLICABILITY DATES.

12 1. Except for subsection 2, this division of this
13 Act applies to tax years beginning on or after January
14 1, 2004.

15 2. The section of this division of this Act
16 enacting new Code section 476B.10, takes effect
17 January 1, 2005.

18 DIVISION XVII
19 EFFECTIVE DATE

20 Sec. 230. EFFECTIVE DATE. Unless otherwise
21 provided in this Act, this Act takes effect July 1,
22 2003."

23 2. Title page, by striking lines 1 through 15 and
24 inserting the following: "An Act relating to economic
25 development, financial, taxation, and regulatory
26 matters, making and revising appropriations, modifying
27 penalties, providing a fee, and including effective,
28 applicability, and retroactive applicability
29 provisions."

Hoffman of Crawford offered amendment H-1617, to the Senate amendment H-1616, filed by him from the floor as follows:

H-1617

1 Amend the Senate amendment, H-1616, to House File
2 683, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 3, by inserting after line 8 the
5 following:

6 "DEPARTMENT OF HUMAN SERVICES
7 Sec. ___. COUNTY HOSPITALS. There is appropriated
8 from the general fund of the state to the department
9 of human services for the fiscal year beginning July
10 1, 2003, and ending June 30, 2004, the following
11 amount, or so much thereof as is necessary, for the
12 purpose designated:

13 For support of mental health care services provided
14 to persons who are elderly or poor by county hospitals

15 in counties having a population of two hundred twenty-
16 five thousand or more:

17 \$ 312,000"

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

20 "Sec. __. Section 7J.1, subsection 1, as enacted
21 by 2003 Iowa Acts, Senate File 453, section 32, and
22 amended by 2003 Iowa Acts, Senate File 458, section
23 85, is amended to read as follows:

24 1. DESIGNATION OF CHARTER AGENCIES – PURPOSE.

25 The governor may, by executive order, designate state
26 departments or agencies, as described in section 7E.5,
27 or the Iowa lottery authority established in chapter
28 99G, other than the department of administrative
29 services, if the department is established in law, or
30 the department of management, as a charter agency by
31 July 1, 2003. The designation of a charter agency
32 shall be for a period of five years which shall
33 terminate as of June 30, 2008. The purpose of
34 designating a charter agency is to grant the agency
35 additional authority as provided by this chapter while
36 reducing the total appropriations to the agency."

37 3. Page 9, by inserting after line 35 the
38 following:

39 "Sec. __. Section 422E.3A, subsection 3,
40 paragraph a, as enacted by 2003 Iowa Acts, Senate File
41 445, is amended to read as follows:

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

49 Sec. __. Section 422E.3A, subsection 3, paragraph
50 b, subparagraph (3), as enacted by 2003 Iowa Acts,

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1 Senate File 445, is amended by striking the
2 subparagraph and inserting in lieu thereof the
3 following:

4 (3) "Statewide tax revenues per student" means
5 five hundred seventy-five dollars per student. The
6 general assembly shall review this amount annually to
7 determine its appropriateness.

8 Sec. __. Section 422E.3A, subsection 5, as
9 enacted by 2003 Iowa Acts, Senate File 445, is amended
10 to read as follows:

11 5. In the case of a deficiency in the fund to pay
12 the supplemental school infrastructure amounts in
13 full, the amount available in the fund less the sales

14 and services tax revenues for school infrastructure
 15 purposes attributed to each school district should be
 16 allocated based on the proportion of actual enrollment
 17 in of the district residing in a county where the
 18 sales and services tax for school infrastructure
 19 purposes has been imposed to the combined actual
 20 enrollment in the counties where the sales and
 21 services tax for school infrastructure purposes has
 22 been imposed and, residing in such counties, of the
 23 school districts in the counties ~Uthat qualify for the
 24 supplemental school infrastructure amount. However, a
 25 school district shall not receive more than its
 26 supplemental school infrastructure amount. Any amount
 27 in excess of a school district's supplemental school
 28 infrastructure amount shall be distributed to the
 29 other school districts eligible to receive
 30 distributions pursuant to this subsection.

31 Sec. __. Section 422E.3A, subsection 6,
 32 unnumbered paragraph 1, as enacted by 2003 Iowa Acts,
 33 Senate File 445, is amended to read as follows:

34 A school district ~~with less than two hundred fifty~~
 35 ~~actual enrollment or less than one hundred actual~~
 36 ~~enrollment in the high school~~ shall not expend the
 37 supplemental school infrastructure amount received for
 38 new construction or for payments for bonds issued for
 39 new construction against the supplemental school
 40 infrastructure amount without prior application to the
 41 department of education and receipt of a certificate
 42 of need pursuant to this subsection. However, a
 43 certificate of need is not required for the payment of
 44 outstanding bonds issued for new construction pursuant
 45 to section 296.1, before April 1, 2003. A certificate
 46 of need is also not required for repairing
 47 schoolhouses or buildings, equipment, technology, or
 48 transportation equipment for transporting students as
 49 provided in section 298.3, or for construction
 50 necessary for compliance with the federal Americans

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1 With Disabilities Act pursuant to 42 U.S.C. § 12101-
 2 12117. In determining whether a certificate of need
 3 shall be issued or denied, the department shall
 4 consider all of the following:"

- 5 4. Page 10, by striking lines 32 through 49.
- 6 5. By striking page 11, line 34 through page 13,
- 7 line 8.
- 8 6. Page 16, by striking lines 9 through 17.
- 9 7. Page 17, by striking lines 41 and 42.
- 10 8. By striking page 18, line 7 through page 21,
- 11 line 26.
- 12 9. By striking page 29, line 27, through page 44,

13 line 4, and inserting the following:

14 DIVISION VII
15 ECONOMIC DEVELOPMENT APPROPRIATIONS

16 Sec.____. MARKETING APPROPRIATION.

17 1. There is appropriated from the grow Iowa values
18 fund created in section 15G.107, if enacted by 2003
19 Iowa Acts, House File 692 or another Act, to the
20 department of economic development, for the fiscal
21 period beginning July 1, 2003, and ending June 30,
22 2006, the following amounts, or so much thereof as is
23 necessary, to be used for the purpose designated:

24 For implementing and administering the marketing
25 strategy approved under section 15G.108, if enacted by
26 2003 Iowa Acts, House File 692 or another Act:

27 FY 2003-2004	\$ 2,500,000
28 FY 2004-2005	\$ 7,500,000
29 FY 2005-2006	\$ 10,000,000

30 2. Notwithstanding section 8.33, moneys that
31 remain unexpended at the end of a fiscal year shall
32 not revert to any fund but shall remain available for
33 expenditure for the designated purposes during the
34 succeeding fiscal year.

35 Sec.____. DEPARTMENT OF ECONOMIC DEVELOPMENT
36 APPROPRIATION.

37 1. There is appropriated from the grow Iowa values
38 fund created in section 15G.107, if enacted by 2003
39 Iowa Acts, House File 692 or another Act, to the
40 department of economic development for the fiscal
41 period beginning July 1, 2003, and ending June 30,
42 2007, the following amounts, or so much thereof as is
43 necessary, to be used for the purpose designated:

44 For programs administered by the department of
45 economic development:

46 FY 2003-2004	\$ 45,000,000
47 FY 2004-2005	\$ 41,000,000
48 FY 2005-2006	\$ 44,000,000
49 FY 2006-2007	\$ 48,000,000

50 2. Notwithstanding section 8.33, moneys that

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1 remain unexpended at the end of a fiscal year shall
2 not revert to any fund but shall remain available for
3 expenditure for the designated purposes during the
4 succeeding fiscal year.

5 3. Each year that moneys are appropriated under
6 this section, the grow Iowa values board shall
7 allocate a percentage of the moneys for each of the
8 following types of activities:

- 9 a. Business start-ups.
- 10 b. Business expansion.
- 11 c. Business modernization.

12 d. Business attraction.

13 e. Business retention.

14 f. Marketing.

15 4. An applicant for moneys appropriated under this
16 section shall be required by the department to include
17 in the application a statement regarding the intended
18 return on investment. A recipient of moneys
19 appropriated under this section shall annually submit
20 a statement to the department regarding the progress
21 achieved on the intended return on investment stated
22 in the application. The department, in cooperation
23 with the department of revenue and finance, shall
24 develop a method of identifying and tracking each new
25 job created through financial assistance from moneys
26 appropriated under this section.

27 5. The department may use moneys appropriated
28 under this section to procure technical assistance
29 from either the public or private sector, for
30 information technology purposes, and for rail, air, or
31 river port transportation-related purposes. The use
32 of moneys appropriated for rail, air, or river port
33 transportation-related purposes must be directly
34 related to an economic development project and the
35 moneys must be used to leverage other financial
36 assistance moneys.

37 6. Of the moneys appropriated under this section,
38 the department may use one-half of one percent for
39 administrative purposes.

40 7. The grow Iowa values board is required to
41 approve or deny applications for financial assistance
42 from moneys appropriated under this section.

43 Sec. UNIVERSITY AND COLLEGE FINANCIAL
44 ASSISTANCE APPROPRIATION.

45 1. There is appropriated from the grow Iowa values
46 fund created in section 15G.107, if enacted by 2003
47 Iowa Acts, House File 692 or another Act, to the grow
48 Iowa values board for the fiscal period beginning July
49 1, 2003, and ending June 30, 2007, the following
50 amounts, or so much thereof as is necessary, to be

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1 used for the purposes designated:

2 For financial assistance for institutions of higher
3 learning under the control of the state board of
4 regents and for accredited private institutions as
5 defined in section 261.9 for multiuse, goods
6 manufacturing processes approved by the food and drug
7 administration of the United States department of
8 health and human services, protein purification
9 facilities for plant, animal, and chemical
10 manufactured proteins; accelerating new business

11 creation; innovation accelerators and business parks;
 12 incubator facilities; upgrading food and drug
 13 administration drug approval laboratories in Iowa City
 14 to a larger multiclient, goods manufacturing processes
 15 facility; crop and animal livestock facilities for the
 16 growing of transgenic crops and livestock, protein
 17 extraction facilities, containment facilities, and
 18 bioanalytical, biochemical, chemical, and
 19 microbiological support facilities; a national center
 20 for food safety and security; and advanced laboratory
 21 space:

22	FY 2003-2004	\$ 6,000,000
23	FY 2004-2005	\$ 7,000,000
24	FY 2005-2006	\$ 7,000,000
25	FY 2006-2007	\$ 7,000,000

26 2. Notwithstanding section 8.33, moneys that
 27 remain unexpended at the end of a fiscal year shall
 28 not revert to any fund but shall remain available for
 29 expenditure for the designated purposes during the
 30 succeeding fiscal year.

31 3. In the distribution of moneys appropriated
 32 pursuant to this section, the grow Iowa values board
 33 shall examine the potential for using moneys
 34 appropriated pursuant to this section to leverage
 35 other moneys for financial assistance to accredited
 36 private institutions.

37 4. In awarding moneys appropriated pursuant to
 38 this section, the grow Iowa values board shall
 39 consider whether the purchase of suitable existing
 40 infrastructure is more cost-efficient than building
 41 new infrastructure.

42 5. An institution of higher learning under the
 43 control of the state board of regents may apply to use
 44 financial assistance moneys under this section for
 45 purposes of a public and private joint venture to
 46 acquire infrastructure assets or research facilities
 47 or to leverage moneys in a manner consistent with
 48 meeting the goals and performance measures provided in
 49 section 15G.106, if enacted by 2003 Iowa Acts, House
 50 File 692 or another Act.

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1 6. Of the moneys appropriated under this section
 2 and provided applications are submitted meeting the
 3 requirements of the grow Iowa values board, not less
 4 than \$10,000,000 in financial assistance shall be
 5 awarded to the university of Iowa, not less than
 6 \$10,000,000 in financial assistance shall be awarded
 7 to Iowa state university of science and technology,
 8 and not less than \$5,000,000 in financial assistance
 9 shall be awarded to the university of northern Iowa.

10 Sec.____. REHABILITATION PROJECT TAX CREDITS
11 APPROPRIATION.

12 1. There is appropriated from the grow Iowa values
13 fund created in section 15G.107, if enacted by 2003
14 Iowa Acts, House File 692 or another Act, to the
15 general fund of the state, for the fiscal period,
16 beginning July 1, 2005, and ending June 30, 2007, the
17 following amounts, or so much thereof as is necessary,
18 to be used for the purpose designated:

19 For payment of tax credits approved pursuant to
20 section 404A.4 for projects located in certified
21 cultural and entertainment districts:
22 FY 2005-2006 \$ 500,000
23 FY 2006-2007 \$ 500,000

24 2. Notwithstanding section 8.33, moneys that
25 remain unexpended at the end of a fiscal year shall
26 not revert to any fund but shall remain available for
27 expenditure for the designated purposes during the
28 succeeding fiscal year.

29 Sec.____. LOAN AND CREDIT GUARANTEE FUND
30 APPROPRIATION.

31 1. There is appropriated from the grow Iowa values
32 fund created in section 15G.107, if enacted by 2003
33 Iowa Acts, House File 692 or another Act, to the
34 department of economic development for the fiscal
35 period beginning July 1, 2003, and ending June 30,
36 2007, the following amounts, or so much thereof as is
37 necessary, to be used for the purpose designated:

38 For deposit in the loan and credit guarantee fund
39 created in section 15E.227:
40 FY 2003-2004 \$ 2,500,000
41 FY 2004-2005 \$ 5,000,000
42 FY 2005-2006 \$ 7,500,000
43 FY 2006-2007 \$ 7,500,000

44 2. Notwithstanding section 8.33, moneys that
45 remain unexpended at the end of a fiscal year shall
46 not revert to any fund but shall remain available for
47 expenditure for the designated purpose during the
48 succeeding fiscal year.

49 Sec.____. ENDOW IOWA TAX CREDITS.

50 1. There is appropriated from the grow Iowa values

1 fund created in section 15G.107, if enacted by 2003
2 Iowa Acts, House File 692 or another Act, to the
3 general fund of the state, for the fiscal period
4 beginning July 1, 2004, and ending June 30, 2007, the
5 following amounts, or so much thereof as is necessary,
6 to be used for the purpose designated:

7 For payment of endow Iowa tax credits authorized
8 pursuant to section 15E.305:

9	FY 2004-2005	\$ 250,000
10	FY 2005-2006	\$ 250,000
11	FY 2006-2007	\$ 500,000

12 2. Notwithstanding section 8.33, moneys that
 13 remain unexpended at the end of a fiscal year shall
 14 not revert to any fund but shall remain available for
 15 expenditure for the designated purposes during the
 16 succeeding fiscal year.

17 Sec. ENDOW IOWA GRANTS APPROPRIATION.

18 1. There is appropriated from the grow Iowa values
 19 fund created in section 15G.107, if enacted by 2003
 20 Iowa Acts, House File 692 or another Act, to the
 21 department of economic development for the fiscal
 22 period beginning July 1, 2004, and ending June 30,
 23 2007, the following amounts, or so much thereof as is
 24 necessary, to be used for the purpose designated:

25 For endow Iowa grants to lead philanthropic
 26 entities pursuant to section 15E.304:

27	FY 2004-2005	\$ 250,000
28	FY 2005-2006	\$ 250,000
29	FY 2006-2007	\$ 500,000

30 2. Notwithstanding section 8.33, moneys that
 31 remain unexpended at the end of a fiscal year shall
 32 not revert to any fund but shall remain available for
 33 expenditure for the designated purposes during the
 34 succeeding fiscal year.

35 Sec. STATE PARKS AND DESTINATION PARKS
 36 APPROPRIATION.

37 1. There is appropriated from the grow Iowa values
 38 fund created in section 15G.107, if enacted by 2003
 39 Iowa Acts, House File 692 or another Act, to the grow
 40 Iowa values board for the fiscal period beginning July
 41 1, 2003, and ending June 30, 2007, the following
 42 amount, or so much thereof as is necessary, to be used
 43 for the purpose designated:

44 For the purpose of providing financial assistance
 45 for projects in targeted state parks and destination
 46 parks:

47	FY 2003-2004	\$ 500,000
48	FY 2004-2005	\$ 0
49	FY 2005-2006	\$ 0
50	FY 2006-2007	\$ 500,000

1 2. Notwithstanding section 8.33, moneys that
 2 remain unexpended at the end of a fiscal year shall
 3 not revert to any fund but shall remain available for
 4 expenditure for the designated purposes during the
 5 succeeding fiscal year.

6 3. The department of natural resources, in
 7 cooperation with the department of economic

8 development, shall submit a plan to the grow Iowa
 9 values board for the expenditure of moneys
 10 appropriated under this section. The plan shall focus
 11 on improving state parks and destination parks for
 12 economic development purposes. Based on the report
 13 submitted, the grow Iowa values board shall provide
 14 financial assistance to the department of natural
 15 resources for support of state parks and destination
 16 parks.

17 Sec. __. IOWA CULTURAL TRUST FUND APPROPRIATION.

18 1. There is appropriated from the grow Iowa values
 19 fund created in section 15G.107, if enacted by 2003
 20 Iowa Acts, House File 692 or another Act, to the
 21 office of the treasurer of state, for the fiscal
 22 period beginning July 1, 2003, and ending June 30,
 23 2007, the following amount, or so much thereof as is
 24 necessary, to be used for the purpose designated:

25 For deposit in the Iowa cultural trust fund created
 26 in section 303A.4:

27 FY 2003-2004	\$ 500,000
28 FY 2004-2005	\$ 0
29 FY 2005-2006	\$ 0
30 FY 2006-2007	\$ 500,000

31 2. Notwithstanding section 8.33, moneys that
 32 remain unexpended at the end of a fiscal year shall
 33 not revert to any fund but shall remain available for
 34 expenditure for the designated purposes during the
 35 succeeding fiscal year.

36 Sec. __. ANTICIPATED FEDERAL MONEYS -
 37 APPROPRIATION.

38 1. There is appropriated from the fund created by
 39 section 8.41, for the fiscal period beginning July 1,
 40 2003, and ending June 30, 2005, the following amounts
 41 to be used for the purpose designated:

42 For deposit in the grow Iowa values fund created in
 43 section 15G.107, if enacted by 2003 Iowa Acts, House
 44 File 692 or another Act:

45 FY 2003-2004	\$ 59,000,000
46 FY 2004-2005	\$ 41,000,000

47 2. Moneys appropriated in this section are moneys
 48 anticipated to be received from the federal government
 49 for state and local government fiscal relief under the
 50 federal Jobs and Growth Tax Relief Reconciliation Act

1 of 2003 and shall be expended as provided in the
 2 federal law making the moneys available and in
 3 conformance with chapter 17A.

4 3. Notwithstanding section 8.33, moneys that
 5 remain unexpended at the end of a fiscal year shall
 6 not revert to any fund but shall remain available for

7 expenditure for the designated purposes during the
 8 succeeding fiscal year.
 9 Sec. __. STREAMLINED SALES AND USE TAX REVENUE -
 10 APPROPRIATION.

11 1. There is appropriated from the general fund of
 12 the state from moneys credited to the general fund of
 13 the state as a result of entering into the streamlined
 14 sales and use tax agreement, for the fiscal period
 15 beginning July 1, 2003, and ending June 30, 2010, the
 16 following amounts to be used for the purpose
 17 designated:

18 For deposit in the grow Iowa values fund created in
 19 section 15G.107, if enacted by 2003 Iowa Acts, House
 20 File 692 or another Act:

21 FY 2003-2004	\$ 5,000,000
22 FY 2004-2005	\$ 23,000,000
23 FY 2005-2006	\$ 75,000,000
24 FY 2006-2007	\$ 75,000,000
25 FY 2007-2008	\$ 75,000,000
26 FY 2008-2009	\$ 75,000,000
27 FY 2009-2010	\$ 75,000,000

28 2. For purposes of this section, "moneys credited
 29 to the general fund of the state as a result of
 30 entering into the streamlined sales and use tax
 31 agreement" means the amount of sales and use tax
 32 receipts credited to the general fund of the state
 33 during a fiscal year that exceeds by two percent or
 34 more the total sales and use tax receipts credited to
 35 the general fund of the state during the previous
 36 fiscal year.

37 a. If the moneys credited to the general fund of
 38 the state as a result of entering into the streamlined
 39 sales and use tax agreement during a fiscal year total
 40 less than the amount appropriated in this section, the
 41 appropriation in this section shall be reduced to
 42 equal the total amount of the moneys so credited.

43 b. If the appropriation for a fiscal year is
 44 reduced pursuant to paragraph "a", all appropriations
 45 made from the grow Iowa values fund for the same
 46 fiscal year shall be reduced proportionately to the
 47 amount reduced due to paragraph "a".

48 3. Notwithstanding section 8.33, moneys that
 49 remain unexpended at the end of a fiscal year shall
 50 not revert to any fund but shall remain available for

Page 10

1 expenditure for the designated purposes during the
 2 succeeding fiscal year.

3 DIVISION VIII

4 WORKFORCE-RELATED ISSUES

5 Sec. __. NEW SECTION. 260C.18A WORKFORCE

6 TRAINING AND ECONOMIC DEVELOPMENT FUNDS.

7 1. a. A workforce training and economic
8 development fund is created for each community
9 college. Moneys shall be deposited and expended from
10 a fund as provided under this section.

11 b. Moneys in the funds shall consist of any moneys
12 appropriated by the general assembly and any other
13 moneys available to and obtained or accepted by the
14 department of economic development from federal
15 sources or private sources for placement in the funds.
16 Notwithstanding section 8.33, moneys in the funds at
17 the end of each fiscal year shall not revert to any
18 other fund but shall remain in the funds for
19 expenditure in subsequent fiscal years.

20 2. On July 1 of each year for the fiscal year
21 beginning July 1, 2003, and for every fiscal year
22 thereafter, moneys from the grow Iowa values fund
23 created in section 15G.107, if enacted by 2003 Iowa
24 Acts, House File 692 or another Act, are appropriated
25 to the department of economic development for deposit
26 in the workforce training and economic development
27 funds in amounts determined pursuant to subsection 3.
28 Moneys deposited in the funds and disbursed to
29 community colleges for a fiscal year shall be expended
30 for the following purposes, provided seventy percent
31 of the moneys shall be used on projects in the areas
32 of advanced manufacturing, information technology and
33 insurance, and life sciences which include the areas
34 of biotechnology, health care technology, and nursing
35 care technology:

36 a. Projects in which an agreement between a
37 community college and an employer located within the
38 community college's merged area meet all of the
39 requirements of the accelerated career education
40 program under chapter 260G. Notwithstanding section
41 260G.4B, projects funded with moneys from workforce
42 training and economic development funds shall be
43 approved by the grow Iowa values board established in
44 section 15G.102.

45 b. Projects in which an agreement between a
46 community college and a business meet all the
47 requirements of the Iowa jobs training Act under
48 chapter 260F. However, when moneys are provided
49 through the grow Iowa values fund for such projects,
50 section 260F.6, subsections 1 and 2, and section

Page 11

1 260F.8 shall not apply and projects shall be approved
2 by the grow Iowa values board.

3 c. For the development and implementation of
4 career academies designed to provide new career

5 preparation opportunities for high school students
6 that are formally linked with postsecondary career and
7 technical education programs. Moneys from workforce
8 training and economic development funds that are
9 expended for purposes of this paragraph shall be
10 approved by the grow Iowa values board established in
11 section 15G.102. For purposes of this section,
12 "career academy" means a program of study that
13 combines a minimum of two years of secondary education
14 with an associate degree, or the equivalent, career
15 preparatory program in a nonduplicative, sequential
16 course of study that is standards based, integrates
17 academic and technical instruction, utilizes work-
18 based and worksite learning where appropriate and
19 available, utilizes an individual career planning
20 process with parent involvement, and leads to an
21 associate degree or postsecondary diploma or
22 certificate in a career field that prepares an
23 individual for entry and advancement in a high-skill
24 and reward career field and further education. The
25 department of economic development, in conjunction
26 with the state board of education and the division of
27 community colleges and workforce preparation of the
28 department of education, shall adopt administrative
29 rules for the development and implementation of such
30 career academies pursuant to section 256.11,
31 subsection 5, paragraph "h", section 260C.1, and Title
32 II of Pub. L. No. 105-332, Carl D. Perkins Vocational
33 and Technical Education Act of 1998.

34 d. Programs and courses that provide vocational
35 and technical training, and programs for in-service
36 training and retraining under section 260C.1,
37 subsections 2 and 3.

38 e. Job retention projects under section 260F.9.

39 3. Of the moneys appropriated in this section, for
40 the fiscal period beginning July 1, 2003, and ending
41 June 30, 2006, the following amounts shall be
42 designated for the purposes of funding job retention
43 projects under section 260F.9:

44 a. One million dollars for the fiscal year
45 beginning July 1, 2003.

46 b. One million dollars for the fiscal year
47 beginning July 1, 2004.

48 c. One million dollars for the fiscal year
49 beginning July 1, 2005.

50 4. The maximum cumulative total amount of moneys

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1 that may be deposited in all the workforce training
2 and economic development funds for distribution to
3 community colleges in a fiscal year shall be

4 determined as follows:

- 5 a. Five million dollars for the fiscal year
- 6 beginning July 1, 2003.
- 7 b. Five million dollars for the fiscal year
- 8 beginning July 1, 2004.
- 9 c. Five million dollars for the fiscal year
- 10 beginning July 1, 2005.
- 11 d. Ten million dollars for the fiscal year
- 12 beginning July 1, 2006.
- 13 e. For the fiscal year beginning July 1, 2007, and
- 14 each succeeding fiscal year, the grow Iowa values
- 15 board shall make a determination if sufficient moneys
- 16 exist in the grow Iowa values fund to distribute to
- 17 community colleges.

18 Sec. NEW SECTION. 260F.9 JOB RETENTION
19 PROGRAM.

20 1. The department of economic development shall
21 administer the job retention program. The department
22 shall adopt rules pursuant to chapter 17A necessary
23 for the administration of this section. By January 15
24 of each year, the department shall submit a written
25 report to the general assembly and the governor
26 regarding the activities of the job retention program
27 during the previous calendar year.

28 2. A community college and the department may
29 enter into an agreement to establish a job retention
30 project. A job retention project agreement shall
31 include, but not be limited to, the following:

- 32 a. The date of the agreement.
- 33 b. The anticipated number of employees to be
- 34 trained.
- 35 c. The estimated cost of training.
- 36 d. A statement regarding the number of employees
- 37 employed by the participating business on the date of
- 38 the agreement which must equal at least the lesser of
- 39 one thousand employees or four percent or more of the
- 40 county's resident labor force based on the most recent
- 41 annual labor force statistics from the department of
- 42 workforce development.
- 43 e. A commitment that the participating business
- 44 shall invest at least fifteen million dollars to
- 45 retool the workplace and upgrade the facilities of the
- 46 participating business.
- 47 f. A commitment that the participating business
- 48 shall not move the business operation out of this
- 49 state or close the business operation for at least ten
- 50 years following the date of the agreement.

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- 1 g. Other criteria established by the department of
- 2 economic development.

3 3. A job retention project agreement entered into
4 pursuant to this section must be approved by the board
5 of trustees of the applicable community college, the
6 department of economic development, and the
7 participating business.

8 Sec. __. NEW SECTION. 260F.101 REPORTING.

9 A community college entering into an agreement
10 pursuant to this chapter shall submit an annual
11 written report by the end of each calendar year with
12 the grow Iowa values board created in section 15G.102,
13 if enacted by 2003 Iowa Acts, House File 692 or
14 another Act. The report shall provide information
15 regarding how the agreement affects the achievement of
16 the goals and performance measures provided in section
17 15G.106, if enacted by 2003 Iowa Acts, House File 692
18 or another Act.

19 Sec. __. Section 260G.3, subsection 2, Code 2003,
20 is amended to read as follows:

21 2. An agreement may include reasonable and
22 necessary provisions to implement the accelerated
23 career education program. If an agreement that
24 utilizes program job credits is entered into, the
25 community college and the employer shall notify the
26 department of revenue and finance as soon as possible.
27 The community college shall also file a copy of the
28 agreement with the department of economic development
29 as required in section 260G.4B. The agreement shall
30 provide for program costs, including deferred costs,
31 which may be paid from any of the following sources:

32 a. Program job credits which the employer receives
33 based on the number of program job positions agreed to
34 by the employer to be available under the agreement.

35 b. Cash or in-kind contributions by the employer
36 toward the program cost. At a minimum, the employer
37 contribution shall be twenty percent of the program
38 costs.

39 c. Tuition, student fees, or special charges fixed
40 by the board of directors to defray program costs.

41 d. Guarantee by the employer of payments to be
42 received under paragraphs "a" and "b".

43 e. Moneys from a workforce training and economic
44 development fund created in section 260C.18A, based on
45 the number of program job positions agreed to by the
46 employer to be available under the agreement, the
47 amount of which shall be calculated in the same manner
48 as the program job credits provided for in section
49 260G.4A.

50 Sec. __. NEW SECTION. 260G.101 REPORTING.

2 pursuant to this chapter shall submit an annual
3 written report by the end of each calendar year with
4 the grow Iowa values board created in section 15G.102,
5 if enacted by 2003 Iowa Acts, House File 692 or
6 another Act. The report shall provide information
7 regarding how the agreement affects the achievement of
8 the goals and performance measures provided in section
9 15G.106, if enacted by 2003 Iowa Acts, House File 692
10 or another Act.

11 DIVISION IX

12 LOAN AND CREDIT GUARANTEE FUND

13 Sec. NEW SECTION. 15E.227 LOAN AND CREDIT
14 GUARANTEE FUND.

15 1. A loan and credit guarantee fund is created and
16 established as a separate and distinct fund in the
17 state treasury. Moneys in the fund shall only be used
18 for purposes provided in this section. The moneys in
19 the fund are appropriated to the department to be used
20 for all of the following purposes:

21 a. Payment of claims pursuant to loan and credit
22 guarantee agreements entered into under this division.

23 b. Payment of administrative costs of the
24 department for actual and necessary administrative
25 expenses incurred by the department in administering
26 the program.

27 c. Purchase or buyout of superior or prior liens,
28 mortgages, or security interests.

29 d. Purchase of insurance to cover the default of
30 loans made pursuant to the requirements of the loan
31 and credit guarantee program.

32 2. Moneys in the loan and credit guarantee fund
33 shall consist of all of the following:

34 a. Moneys appropriated by the general assembly for
35 that purpose and any other moneys available to and
36 obtained or accepted by the department for placement
37 in the fund.

38 b. Proceeds from collateral assigned to the
39 department, fees for guarantees, gifts, and moneys
40 from any grant made to the fund by any federal agency.

41 c. Moneys appropriated from the grow Iowa values
42 fund created in section 15G.107, if enacted by 2003
43 Iowa Acts, House File 692 or another Act.

44 3. Moneys in the fund are not subject to section
45 8.33. Notwithstanding section 12C.7, interest or
46 earnings on the moneys in the fund shall be credited
47 to the fund.

48 4. a. The department shall only pledge moneys in
49 the loan and credit guarantee fund and not any other
50 moneys of the department. In a fiscal year, the

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1 department may pledge an amount not to exceed the
 2 total amount appropriated to the fund for the same
 3 fiscal year to assure the repayment of loan and credit
 4 guarantees or other extensions of credit made to or on
 5 behalf of qualified businesses or targeted industry
 6 businesses for eligible project costs.

7 b. The department shall not pledge the credit or
 8 taxing power of this state or any political
 9 subdivision of this state or make debts payable out of
 10 any moneys except for those in the loan and credit
 11 guarantee fund.

12 DIVISION X

13 UNIVERSITY-BASED RESEARCH UTILIZATION
 14 PROGRAM APPROPRIATION

15 Sec. NEW SECTION. 262B.12 APPROPRIATION.

16 On July 1 of each year there is appropriated from
 17 the general fund of the state to each university under
 18 the control of the state board of regents, an amount
 19 equal to the amount determined by the department of
 20 economic development pursuant to section 262B.11,
 21 subsection 4, paragraph "c", subparagraph (2), if
 22 enacted by 2003 Iowa Acts, House File 692 or another
 23 Act.

24 DIVISION XI

25 ENDOW IOWA TAX CREDIT

26 Sec. NEW SECTION. 15E.305 ENDOW IOWA TAX
 27 CREDIT.

28 1. For tax years beginning on or after January 1,
 29 2003, a tax credit shall be allowed against the taxes
 30 imposed in chapter 422, divisions II, III, and V, and
 31 in chapter 432, and against the moneys and credits tax
 32 imposed in section 533.24 equal to twenty percent of a
 33 taxpayer's endowment gift to a qualified community
 34 foundation. An individual may claim a tax credit
 35 under this section of a partnership, limited liability
 36 company, S corporation, estate, or trust electing to
 37 have income taxed directly to the individual. The
 38 amount claimed by the individual shall be based upon
 39 the pro rata share of the individual's earnings from
 40 the partnership, limited liability company, S
 41 corporation, estate, or trust. A tax credit shall be
 42 allowed only for an endowment gift made to a qualified
 43 community foundation for a permanent endowment fund
 44 established to benefit a charitable cause in this
 45 state. Any tax credit in excess of the taxpayer's tax
 46 liability for the tax year may be credited to the tax
 47 liability for the following five years or until
 48 depleted, whichever occurs first. A tax credit shall
 49 not be carried back to a tax year prior to the tax
 50 year in which the taxpayer claims the tax credit.

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1 2. The aggregate amount of tax credits authorized
2 pursuant to this section shall not exceed a total of
3 two million dollars. The maximum amount of tax
4 credits granted to a taxpayer shall not exceed five
5 percent of the aggregate amount of tax credits
6 authorized.

7 3. A tax credit shall not be transferable to any
8 other taxpayer.

9 4. A tax credit shall not be authorized pursuant
10 to this section after December 31, 2005.

11 5. The department shall develop a system for
12 registration and authorization of tax credits under
13 this section and shall control the distribution of all
14 tax credits to taxpayers providing an endowment gift
15 subject to this section. The department shall adopt
16 administrative rules pursuant to chapter 17A for the
17 qualification and administration of endowment gifts.

18 Sec. NEW SECTION. 422.11H ENDOW IOWA TAX
19 CREDIT.

20 The tax imposed under this division, less the
21 credits allowed under sections 422.12 and 422.12B,
22 shall be reduced by an endow Iowa tax credit
23 authorized pursuant to section 15E.305.

24 Sec. NEW SECTION. Section 422.33, Code 2003, is amended by
25 adding the following new subsection:

26 NEW SUBSECTION. 14. The taxes imposed under this
27 division shall be reduced by an endow Iowa tax credit
28 authorized pursuant to section 15E.305.

29 Sec. NEW SECTION. Section 422.60, Code 2003, is amended by
30 adding the following new subsection:

31 NEW SUBSECTION. 7. The taxes imposed under this
32 division shall be reduced by an endow Iowa tax credit
33 authorized pursuant to section 15E.305.

34 Sec. NEW SECTION. 432.12D ENDOW IOWA TAX
35 CREDIT.

36 The tax imposed under this chapter shall be reduced
37 by an endow Iowa tax credit authorized pursuant to
38 section 15E.305.

39 Sec. NEW SECTION. Section 533.24, Code 2003, is amended by
40 adding the following new unnumbered paragraph:

41 NEW UNNUMBERED PARAGRAPH. The moneys and credits
42 tax imposed under this section shall be reduced by an
43 endow Iowa tax credit authorized pursuant to section
44 15E.305.

45 Sec. NEW SECTION. EFFECTIVE AND RETROACTIVE APPLICABILITY
46 DATES. This division of this Act, being deemed of
47 immediate importance, takes effect upon enactment and
48 is retroactively applicable to January 1, 2003, for
49 tax years beginning on or after that date.

50

DIVISION XII

Page 17

1 REHABILITATION PROJECT TAX CREDITS

2 Sec. __. Section 404A.4, subsection 4, Code 2003,
3 is amended to read as follows:

4 4. The total amount of tax credits that may be
5 approved for a fiscal year under this chapter shall
6 not exceed two million four hundred thousand dollars.

7 For the fiscal years beginning July 1, 2005, and July
8 1, 2006, an additional five hundred thousand dollars

9 of tax credits may be approved each fiscal year for
10 purposes of projects located in cultural and
11 entertainment districts certified pursuant to section
12 303.3B, if enacted by 2003 Iowa Acts, House File 692
13 or another Act. Any of the additional tax credits
14 allocated for projects located in certified cultural
15 and entertainment districts that are not approved
16 during a fiscal year may be carried over to the
17 succeeding fiscal year. Tax credit certificates shall

18 be issued on the basis of the earliest awarding of
19 certifications of completion as provided in subsection

20 1. The departments of economic development and
21 revenue and finance shall each adopt rules to jointly
22 administer this subsection and shall provide by rule
23 for the method to be used to determine for which
24 fiscal year the tax credits are approved."

25 10. Page 44, by striking lines 10 through 12 and
26 inserting the following: "rebuild Iowa infrastructure
27 fund to the secure an advanced vision for education
28 fund created in section 422E.3A, for".

29 11. Page 44, by striking lines 23 through 25 and
30 inserting the following: "streamlined sales and use
31 tax agreement to the secure an advanced vision for
32 education fund created in section 422E.3A, the".

33 12. By striking page 155, line 14, through page
34 161, line 17.

35 13. Page 161, by inserting before line 18 the
36 following:

37 "DIVISION __

38 CAPITOL COMPLEX PARKING STRUCTURE

39 Sec. __. NEW SECTION. 18A.8 CAPITOL COMPLEX
40 PARKING STRUCTURE REVOLVING FUND.

41 A capitol complex parking structure revolving fund
42 is created in the state treasury. The capitol complex
43 parking structure revolving fund shall be administered
44 by the department of administrative services and shall
45 consist of moneys collected by the department as
46 parking fees, moneys appropriated to the fund by the
47 general assembly, and any other moneys obtained or
48 accepted by the department for deposit in the
49 revolving fund. The proceeds of the revolving fund
50 are appropriated to and shall be used by the

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1 department for costs associated with the management,
2 operation, and maintenance of the capitol complex
3 parking structure located at the intersection of
4 Pennsylvania and Grand avenues in Des Moines. The
5 department shall submit an annual report not later
6 than January 31 to the members of the general assembly
7 and the legislative services agency, of the activities
8 funded by and expenditures made from the revolving
9 fund during the preceding fiscal year. Section 8.33
10 does not apply to any moneys in the revolving fund
11 and, notwithstanding section 12C.7, subsection 2,
12 earnings or interest on moneys deposited in the
13 revolving fund shall be credited to the revolving
14 fund.

15 Sec.____. CAPITOL COMPLEX PARKING STRUCTURE
16 MANAGEMENT – REQUEST FOR PROPOSALS. The department
17 of administrative services shall issue a request for
18 proposals for the management, operation, and
19 maintenance of the state-owned parking structure
20 located at the intersection of Pennsylvania and Grand
21 avenues in Des Moines. The request for proposals
22 shall include all of the following services:
23 1. The collection of parking fees and
24 administration of parking permits.
25 2. Daily janitorial maintenance and necessary
26 annual maintenance, pursuant to standards outlined in
27 the parking garage maintenance manual published by the
28 parking consultants council of the national parking
29 association.
30 3. Long-term structural maintenance.
31 Awarding of a contract for the management,
32 operation, and maintenance of the parking structure is
33 subject to approval by the general assembly.

34 Sec.____. CAPITOL COMPLEX PARKING STRUCTURE –
35 EMPLOYEE PARKING FEES. The department of
36 administrative services shall establish reasonable
37 parking fees for state employees for the use of the
38 state-owned parking structure located at the
39 intersection of Pennsylvania and Grand avenues in Des
40 Moines. Parking fees shall not be established or
41 collected for use of the parking structure by members
42 of the general public. Such fees shall be deposited
43 in the capitol complex parking structure revolving
44 fund created in section 18A.8, as enacted by this
45 Act."

46 14. By renumbering, relettering, or redesignating
47 and correcting internal references as necessary.

Hoffman of Crawford offered amendment H-1618, to amendment H-1617 to the Senate amendment H-1616 filed by him from the floor as follows:

H-1618

1 Amend the amendment, H-1617, to the Senate
2 amendment, H-1616, to House File 683, as amended,
3 passed, and reprinted by the House, as follows:
4 1. Page 2, by striking lines 16 through 30 and
5 inserting the following: "~~allocated based on the~~
6 ~~proportion of actual enrollment in the district to the~~
7 ~~combined actual enrollment in the counties where the~~
8 ~~sales and services tax for school infrastructure~~
9 ~~purposes has been imposed and the school districts in~~
10 ~~the counties qualify for the supplemental school~~
11 ~~infrastructure amount first to increase the school~~
12 ~~district with the lowest sales tax capacity per~~
13 ~~student to an amount equal to the school district or~~
14 ~~school districts with the next lowest sales tax~~
15 ~~capacity per student and then increase the school~~
16 ~~districts to an amount equal to the school district or~~
17 ~~school districts with the next lowest sales tax~~
18 ~~capacity per student and continue on in this manner~~
19 ~~until money is no longer available or all school~~
20 ~~districts reach their guaranteed school infrastructure~~
21 ~~amount."~~

Amendment H-1618 was adopted.

The House stood at ease at 9:42 p.m., until the fall of the gavel.

The House resumed session at 10:24 p.m., Speaker Rants in the chair.

Jenkins of Black Hawk offered the following amendment H-1620, to amendment H-1617 to the Senate amendment H-1616 filed by him from the floor and moved its adoption:

H-1620

1 Amend the amendment, H-1617, to the Senate
2 amendment, H-1616, to House File 683, as amended,
3 passed, and reprinted by the House, as follows:
4 1. Page 10, by striking lines 40 through 44 and
5 inserting the following: "program under chapter
6 260G."
7 2. By striking page 10, line 48, through page 11,

8 line 2, and inserting the following: "chapter 260F."

9 3. Page 11, by striking lines 7 through 11 and

10 inserting the following: "technical education

11 programs. For purposes of this section,".

12 4. Page 12, by inserting after line 17 the

13 following:

14 "5. The department of economic development shall

15 allocate the moneys appropriated pursuant to this

16 section to the community college workforce training

17 and economic development funds utilizing the same

18 distribution formula used for the allocation of state

19 general aid to the community colleges.

20 6. Each community college shall do all of the

21 following:

22 a. Adopt a two-year workforce training and

23 economic development fund plan outlining the community

24 college's proposed use of moneys appropriated under

25 subsection 2.

26 b. Update the two-year plan annually.

27 c. Prepare an annual progress report on the two-

28 year plan's implementation.

29 d. Annually submit the two-year plan and progress

30 report to the department of economic development in a

31 manner prescribed by rules adopted by the department

32 pursuant to chapter 17A and annually file a copy of

33 the plan and progress report with the grow Iowa values

34 board. For the fiscal year beginning July 1, 2004,

35 and each fiscal year thereafter, a community college

36 shall not have moneys deposited in the workforce

37 training and economic development fund of that

38 community college unless the grow Iowa values board

39 approves the annual progress report of the community

40 college.

41 7. Any individual project using over one million

42 dollars of moneys from a workforce training and

43 economic development fund shall require prior approval

44 from the grow Iowa values board."

Amendment H-1620 was adopted.

Division of amendment H-1617, as amended, to the Senate amendment H-1616 was requested as follows:

Pages 1 through 16 and page 17 lines 1 through 32 and page 17 line 35 through the remainder of the amendment, Division A.

Page 17 lines 33 and 34, Division B.

On motion by Hoffman of Crawford, amendment H-1617A, as amended, was adopted.

Hoffman of Crawford moved the adoption of amendment H-1617B,

Roll call was requested by Myers of Johnson and Reasoner of Union.

On the question "Shall amendment H-1617B be adopted?" (H.F. 683)

The ayes were, 53:

Alons	Arnold	Baudler	Boal
Boddicker	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
Elgin	Freeman	Gipp	Greiner
Hahn	Hansen	Hanson	Heaton
Hoffman	Horbach	Huseman	Huser
Hutter	Jacobs	Jenkins	Jones
Klemme	Kramer	Kurtenbach	Lalk
Lukan	Maddox	Manternach	Olson, S.
Paulsen	Raecker	Rasmussen	Rayhons
Roberts	Sands	Schickel	Struyk
Tjepkes	Tymeson	Upmeyer	Van Engelenhoven
Van Fossen, J.K.	Van Fossen, J.R.	Watts	Wildurdyke
Mr. Speaker			
Rants			

The nays were, 42:

Bell	Berry	Bukta	Connors
Dandekar	Davitt	Eichhorn	Fallon
Ford	Gaskill	Granzow	Greimann
Heddens	Hogg	Hunter	Jochum
Kuhn	Lensing	Lykam	Mascher
McCarthy	Mertz	Miller	Murphy
Myers	Oldson	Olson, D.	Osterhaus
Petersen	Quirk	Reasoner	Shoultz
Stevens	Swaim	Taylor, D.	Taylor, T.
Thomas	Wendt	Whitaker	Whitead
Winckler	Wise		

Absent or not voting, 5:

Bogges	Cphoon	Foeg	Frev
Smith			

Amendment H-1617B was adopted.

Heaton of Henry offered the following amendment H-1621, to the Senate amendment H-1616, filed by him and Carroll of Poweshiek from the floor as follows:

H-1621

1 Amend the Senate amendment, H-1616, to House File
2 683, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 3, by inserting before line 9 the
5 following:

6 "Sec. ___. 2003 Iowa Acts, House File 667, section
7 13, subsection 2, is amended to read as follows:

8 2. The department may either continue or procure
9 the contract existing on June 30, 2003, with the
10 department's fiscal agent. If the department
11 initiates reprocurement of the contract, of the amount
12 appropriated in this Act for the medical assistance
13 program, up to \$500,00 may be used to begin the
14 implementation process."

15 2. By renumbering as necessary.

On motion by Heaton of Henry the following amendment H-1622, to amendment H-1621, to the Senate amendment H-1616, filed by him from the floor, was adopted by unanimous consent.

H-1622

1 Amend the amendment, H-1621, to the Senate
2 amendment, H-1616, to House File 683, as amended,
3 passed, and reprinted by the House as follows:

4 1. Page 1, line 13, by striking the figure
5 "\$500,00" and inserting the following: "\$500,000".

On motion by Heaton of Henry, amendment H-1621, as amended was adopted.

Huser of Polk offered the following amendment H-1619, to the Senate amendment H-1616, filed by her from the floor and moved its adoption:

H-1619

1 Amend the Senate amendment, H-1616, to House File
2 683, as amended, passed, and reprinted by the House,
3 as follows:

4 1. Page 119, line 5, by striking the figure "15"
5 and inserting the following: "14".

Amendment H-1619 was adopted.

On motion by Hoffman of Crawford the House concurred in the Senate amendment H-1616, as amended.

Hoffman of Crawford 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. 683)

The ayes were, 53:

Alons	Arnold	Baudler	Boal
Boddicker	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
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	Roberts
Sands	Schickel	Swaim	Thomas
Tjepkes	Tymeson	Upmeyer	Van Engelenhoven
Van Fossen, J.K.	Van Fossen, J.R.	Watts	Wildurdyke
Mr. Speaker			
Rants			

The nays were, 42:

Bell	Berry	Bukta	Connors
Dandekar	Davitt	Eichhorn	Fallon
Ford	Gaskill	Greimann	Heddens
Hogg	Hunter	Huser	Jochum
Kuhn	Lensing	Lykam	Mascher
McCarthy	Mertz	Miller	Murphy
Myers	Oldson	Olson, D.	Osterhaus
Petersen	Quirk	Rayhons	Reasoner
Shoultz	Stevens	Struyk	Taylor, D.
Taylor, T.	Wendt	Whitaker	Whitead
Winckler	Wise		

Absent or not voting, 5:

Bogges	Cohon	Foege	Frevort
Smith			

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 683** be immediately messaged to the Senate.

The House stood at ease at 12:17 a.m., until the fall of the gavel.

The House resumed session at 12:46 a.m., Speaker Rants in the chair.

SENATE AMENDMENT CONSIDERED

Carroll of Poweshiek called up for consideration **House File 692**, a bill for an act relating to taxation of property and income and including effective date and applicability date provisions, amended by the Senate amendment H-1615:

H-1615

1 Amend House File 692, 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 I
6 PROPERTY TAXATION
7 Section 1. Section 441.19, subsections 1 and 2,
8 Code 2003, are amended to read as follows:
9 1. Supplemental and optional to the procedure for
10 the assessment of property by the assessor as provided
11 in this chapter, the assessor may require from all
12 persons required to list their property for taxation
13 as provided by sections 428.1 and 428.2, a
14 supplemental return to be prescribed by the director
15 of revenue and finance upon which the person shall
16 list the person's property and any additions or
17 modifications completed in the prior year to a
18 structure located on the property. The supplemental
19 return shall be in substantially the same form as now
20 prescribed by law for the assessment rolls used in the
21 listing of property by the assessors. Every person
22 required to list property for taxation shall make a
23 complete listing of the property upon supplemental
24 forms and return the listing to the assessor as
25 promptly as possible within thirty days of receiving

26 the assessment notice in section 441.23. The return
27 shall be verified over the signature of the person
28 making the return and section 441.25 applies to any
29 person making such a return. The assessor shall make
30 supplemental return forms available as soon as
31 practicable after the first day of January of each
32 year. The assessor shall make supplemental return
33 forms available to the taxpayer by mail, or at a
34 designated place within the taxing district.

35 2. Upon receipt of such supplemental return from
36 any person the assessor shall prepare a roll assessing
37 such person as hereinafter provided. In the
38 preparation of such assessment roll the assessor shall
39 be guided not only by the information contained in
40 such supplemental roll, but by any other information
41 the assessor may have or which may be obtained by the
42 assessor as prescribed by the law relating to the
43 assessment of property. The assessor shall not be
44 bound by any values or square footage determinations
45 or purchase prices as listed in such supplemental
46 return, and may include in the assessment roll any
47 property omitted from the supplemental return which in
48 the knowledge and belief of the assessor should be
49 listed as required by law by the person making the
50 supplemental return. Upon completion of such roll the

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1 assessor shall deliver to the person submitting such
2 supplemental return a copy of the assessment roll,
3 either personally or by mail.

4 Sec. 2. NEW SECTION. 441.20 LEGISLATIVE INTENT.

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

23 Sec. 3. Section 441.21, Code 2003, is amended by
24 striking the section and inserting in lieu thereof the

25 following:

26 441.21 ASSESSMENT OF STRUCTURES.

27 1. All real property, except land, subject to
28 taxation shall be assessed on a value per square foot
29 basis according to the provisions of this section.

30 2. a. Subject to paragraph "b", for valuations
31 established as of January 1, 2006, and for subsequent
32 assessment years, the assessed value per square foot
33 of a residential structure shall be an amount equal to
34 the valuation of the structure as determined for the
35 assessment year beginning January 1, 2005, prior to
36 application of the assessment limitation for that
37 year, divided by the total number of square feet of
38 the structure as of January 1, 2005.

39 b. (1) The assessed value per square foot of an
40 existing residential structure purchased after January
41 1, 2005, shall be the purchase price of the structure
42 divided by the cumulative inflation factor established
43 for the assessment year following the year of
44 purchase, divided by the total number of square feet
45 of the structure as of January 1 of the assessment
46 year. The assessed value per square foot of a
47 residential structure newly constructed after January
48 1, 2005, shall be the market value of the structure,
49 as determined by the assessor, divided by the
50 cumulative inflation factor established for the

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1 assessment year following the year construction was
2 completed, divided by the total number of square feet
3 of the structure as of January 1 of the assessment
4 year. However, when valuing an addition that
5 substantially increases the square footage of a
6 structure, only that portion of the structure
7 comprising the addition shall be valued by the
8 assessor under this subparagraph.

9 (2) If additions or modifications to an existing
10 structure do not constitute a newly constructed
11 structure, the valuation of the structure shall only
12 increase if the square footage of the structure
13 increases. The increased valuation, if any, equals
14 the amount of increased square feet times the value
15 per square foot of the structure prior to the
16 additions or modifications.

17 3. a. Subject to paragraph "b" for valuations
18 established as of January 1, 2006, and for subsequent
19 assessment years, the assessed value per square foot
20 of a commercial or industrial structure shall be an
21 amount equal to the valuation of the structure as
22 determined for the assessment year beginning January
23 1, 2005, prior to application of the assessment

24 limitation for that year, divided by the total number
25 of square feet of the structure as of January 1, 2005.
26 b. (1) The assessed value per square foot of an
27 existing commercial or industrial structure purchased
28 after January 1, 2005, shall be the purchase price of
29 the structure divided by the cumulative inflation
30 factor established for the assessment year following
31 the year of purchase, divided by the total number of
32 square feet of the structure as of January 1 of the
33 assessment year. The assessed value per square foot
34 of a commercial or industrial structure newly
35 constructed after January 1, 2005, shall be the market
36 value of the structure, as determined by the assessor,
37 divided by the cumulative inflation factor established
38 for the assessment year following the year
39 construction was completed, divided by the total
40 number of square feet of the structure as of January 1
41 of the assessment year. However, when valuing an
42 addition that substantially increases the square
43 footage of a structure, only that portion of the
44 structure comprising the addition shall be valued by
45 the assessor under this subparagraph.
46 (2) If additions or modifications to an existing
47 structure do not constitute a newly constructed
48 structure, the valuation of the structure shall only
49 increase if the square footage of the structure
50 increases. The increased valuation, if any, equals

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1 the amount of increased square feet times the value
2 per square foot of the structure prior to the
3 additions or modifications.
4 4. a. Subject to paragraph "b" for valuations
5 established as of January 1, 2006, and for subsequent
6 assessment years, the assessed value per square foot
7 of an agricultural structure that is not an
8 agricultural dwelling shall be an amount equal to the
9 valuation of the structure as determined for the
10 assessment year beginning January 1, 2005, prior to
11 application of the assessment limitation for that
12 year, divided by the total number of square feet of
13 the structure as of January 1, 2005.
14 b. (1) The assessed value per square foot of an
15 existing agricultural structure purchased after
16 January 1, 2005, shall be the productivity value of
17 the structure divided by the cumulative inflation
18 factor established for the assessment year following
19 the year of purchase, divided by the total number of
20 square feet of the structure as of January 1 of the
21 assessment year. The assessed value per square foot
22 of an agricultural structure newly constructed after

23 January 1, 2005, shall be the productivity value of
24 the structure for the assessment year following the
25 year construction was completed, as determined by the
26 assessor, divided by the cumulative inflation factor
27 established for the assessment year following the year
28 construction was completed, divided by the total
29 number of square feet of the structure as of January 1
30 of the assessment year. However, when valuing an
31 addition that substantially increases the square
32 footage of a structure, only that portion of the
33 structure comprising the addition shall be valued by
34 the assessor under this subparagraph.

35 (2) If additions or modifications to an existing
36 structure do not constitute a newly constructed
37 structure, the valuation of the structure shall only
38 increase if the square footage of the structure
39 increases. The increased valuation, if any, equals
40 the amount of increased square feet times the value
41 per square foot of the structure prior to the
42 additions or modifications.

43 5. a. In determining the market value of newly
44 constructed property, except agricultural structures,
45 the assessor may determine the value of the property
46 using uniform and recognized appraisal methods
47 including its productive and earning capacity, if any,
48 industrial conditions, its cost, physical and
49 functional depreciation and obsolescence and
50 replacement cost, and all other factors which would

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1 assist in determining the fair and reasonable market
2 value of the property but the actual value shall not
3 be determined by use of only one such factor. The
4 following shall not be taken into consideration:
5 special value or use value of the property to its
6 present owner, and the goodwill or value of a business
7 that uses the property as distinguished from the value
8 of the property as property. However, in assessing
9 property that is rented or leased to low-income
10 individuals and families as authorized by section 42
11 of the Internal Revenue Code, as amended, and which
12 section limits the amount that the individual or
13 family pays for the rental or lease of units in the
14 property, the assessor shall use the productive and
15 earning capacity from the actual rents received as a
16 method of appraisal and shall take into account the
17 extent to which that use and limitation reduces the
18 market value of the property. The assessor shall not
19 consider any tax credit equity or other subsidized
20 financing as income provided to the property in
21 determining the market value. Upon adoption of

22 uniform rules by the department of revenue and finance
23 or covering assessments and valuations of such
24 properties, the valuation on such properties shall be
25 determined in accordance with such values for
26 assessment purposes to assure uniformity, but such
27 rules shall not be inconsistent with or change the
28 foregoing means of determining the market value.

29 b. The actual value of special purpose tooling,
30 which is subject to assessment and taxation as real
31 property under section 427A.1, subsection 1, paragraph
32 "e", but which can be used only to manufacture
33 property which is protected by one or more United
34 States or foreign patents, shall not exceed the fair
35 and reasonable exchange value between a willing buyer
36 and a willing seller, assuming that the willing buyer
37 is purchasing only the special purpose tooling and not
38 the patent covering the property which the special
39 purpose tooling is designed to manufacture nor the
40 rights to manufacture the patented property. For
41 purposes of this paragraph, special purpose tooling
42 includes dies, jigs, fixtures, molds, patterns, and
43 similar property. The assessor shall not take into
44 consideration the special value or use value to the
45 present owner of the special purpose tooling which is
46 designed and intended solely for the manufacture of
47 property protected by a patent in arriving at the
48 actual value of the special purpose tooling.

49 c. In determining the purchase price of a
50 structure, the assessor shall consider whether the

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1 sale was a fair and reasonable exchange in the year in
2 which the property was listed and valued between a
3 willing buyer and a willing seller, neither being
4 under any compulsion to buy or sell and each being
5 familiar with all the facts relating to the particular
6 property. Sale prices of the property or comparable
7 property in normal transactions reflecting market
8 value, and the probable availability or unavailability
9 of persons interested in purchasing the property,
10 shall be taken into consideration in determining
11 purchase price. In determining purchase price, sale
12 prices of property in abnormal transactions not
13 reflecting market value shall not be taken into
14 account, or shall be adjusted to eliminate the effect
15 of factors which distort market value, including but
16 not limited to sales to immediate family of the
17 seller, foreclosure or other forced sales, contract
18 sales, or discounted purchase transactions.

19 d. If a county enters into a contract before May
20 1, 2003, for a comprehensive revaluation by a private

21 appraiser and such revaluation is for the assessment
22 year beginning January 1, 2006, the valuations
23 determined under the comprehensive revaluation for
24 that assessment year shall be divided by the
25 cumulative inflation factor for the assessment year
26 beginning January 1, 2006, and that quotient shall be
27 considered the valuation of the property for the
28 assessment year beginning January 1, 2005.

29 6. Notwithstanding any other provision of this
30 section, the assessed value per square foot of a
31 structure times the total number of square feet of the
32 structure shall not exceed its fair and reasonable
33 market value for the assessment year, except for
34 agricultural structures which shall be valued
35 exclusively as provided in subsection 4.

36 7. For purposes of this section:

37 a. "Annual inflation factor" means an index,
38 expressed as a percentage, determined by the
39 department by January 15 of the assessment year for
40 which the factor is determined, which reflects the
41 purchasing power of the dollar as a result of
42 inflation during the twelve-month period ending
43 September 30 of the calendar year preceding the
44 assessment year for which the factor is determined.
45 In determining the annual inflation factor, the
46 department shall use the annual percent change, but
47 not less than zero percent, in the gross domestic
48 product price deflator computed for the calendar year
49 by the bureau of economic analysis of the United
50 States department of commerce and shall add all of

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1 that percent change to one hundred percent. The
2 annual inflation factor and the cumulative inflation
3 factor shall each be expressed as a percentage rounded
4 to the nearest one-tenth of one percent. The annual
5 inflation factor shall not be less than one hundred
6 percent. The annual inflation factor for the 2005
7 calendar year is one hundred percent.

8 b. "Cumulative inflation factor" means the product
9 of the annual inflation factor for the 2005 calendar
10 year and all annual inflation factors for subsequent
11 calendar years as determined pursuant to this
12 subsection. The cumulative inflation factor applies
13 to the assessment year beginning on January 1 of the
14 calendar year for which the latest annual inflation
15 factor has been determined.

16 c. "Newly constructed" includes, but is not
17 limited to, structural replacement, additions that
18 substantially increase the square footage, conversion
19 into another class of property, and conversion from

20 exempt property under section 427.1 to taxable
21 property. For commercial and industrial property,
22 "newly constructed" also includes an addition or
23 removal to a structure of personal property taxed as
24 real estate under chapter 427A.

25 d. "Structure" means any part of that which is
26 built or constructed, an edifice or building of any
27 kind, or any piece of work artificially built up or
28 composed of parts joined together in some definite
29 manner. For residential structures, structure
30 includes only those parts of the structure, including
31 basements and attics, that are or could be used as
32 living space. "Structure" does not include the land
33 beneath, or horizontal improvements relating to the
34 structure, such as sidewalks, sewers, or retaining
35 walls.

36 8. For the purpose of computing the debt
37 limitations for municipalities, political
38 subdivisions, and school districts, the term "actual
39 value" means the "actual value" as determined under
40 this section without application of any percentage
41 reduction and entered opposite each item, and as
42 listed on the tax list as provided in section 443.2,
43 as "actual value".

44 Whenever any board of review or other tribunal
45 changes the assessed value of property, all applicable
46 records of assessment shall be adjusted to reflect
47 such change in both assessed value and actual value of
48 such property.

49 9. The provisions of this chapter and chapters
50 443, 443A, and 444 shall be subject to legislative

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1 review at least once every five years. The review
2 shall be based upon a property tax status report
3 containing the recommendations of a property tax
4 implementation committee appointed to conduct a review
5 of the land tax, square footage tax, the baseline
6 assessment for the square footage tax, and other
7 related provisions, to be prepared with the assistance
8 of the departments of management and revenue and
9 finance. The report shall include recommendations for
10 changes or revisions based upon demographic changes
11 and property tax valuation fluctuations observed
12 during the preceding five-year interval, and a summary
13 of issues that have arisen since the previous review
14 and potential approaches for their resolution. The
15 first such report shall be submitted to the general
16 assembly no later than January 1, 2010, with
17 subsequent reports developed and submitted by January
18 1 at least every fifth year thereafter.

19 Sec. 4. NEW SECTION. 441.21A PROPERTY
20 CLASSIFICATIONS.

21 1. a. Agricultural land shall be valued at its
22 productivity value. The productivity value of
23 agricultural land shall be determined on the basis of
24 productivity and net earning capacity of the land
25 determined on the basis of its use for agricultural
26 purposes capitalized at a rate of seven percent and
27 applied uniformly among counties and among classes of
28 property. Any formula or method employed to determine
29 productivity and net earning capacity of land shall be
30 adopted in full by rule.

31 b. In counties or townships in which field work on
32 a modern soil survey has been completed since January
33 1, 1949, the assessor shall place emphasis upon the
34 results of the survey in spreading the valuation among
35 individual parcels of such agricultural land.

36 c. "Agricultural land" includes the land of a
37 vineyard.

38 2. a. "Residential property" includes all lands
39 and buildings which are primarily used or intended for
40 human habitation, including those buildings located on
41 agricultural land. Buildings used primarily or
42 intended for human habitation shall include the
43 dwelling as well as structures and improvements used
44 primarily as a part of, or in conjunction with, the
45 dwelling. This includes but is not limited to
46 garages, whether attached or detached, tennis courts,
47 swimming pools, guest cottages, and storage sheds for
48 household goods. Residential property located on
49 agricultural land shall include only buildings.

50 b. "Residential property" includes all land and

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1 buildings of multiple housing cooperatives organized
2 under chapter 499a and includes land and buildings
3 used primarily for human habitation which land and
4 buildings are owned and operated by organizations that
5 have received tax-exempt status under section
6 501(c)(3) of the Internal Revenue Code and rental
7 income from the property is not taxed as unrelated
8 business income under section 422.33, subsection 1A.

9 c. "Residential property" includes an apartment in
10 a horizontal property regime referred to in chapter
11 499B which is used or intended for use for human
12 habitation regardless of who occupies the apartment.
13 Existing structures shall not be converted to a
14 horizontal property regime unless applicable building
15 code requirements have been met.

16 d. Buildings for human habitation that are used as
17 commercial ventures, including but not limited to

18 hotels, motels, rest homes, and structures containing
19 three or more separate living quarters shall not be
20 considered residential property.

21 Sec. 5. Section 441.23, Code 2003, is amended to
22 read as follows:

23 441.23 NOTICE OF VALUATION.

24 If there has been an increase or decrease in the
25 valuation of the property, or upon the written request
26 of the person assessed, the assessor shall, at the
27 time of making the assessment, inform the person
28 assessed, in writing, of the valuation put upon the
29 taxpayer's property, and notify the person, if the
30 person feels aggrieved, to appear before the board of
31 review and show why the assessment should be changed.

32 However, if the valuation of ~~a class of~~ agricultural
33 property is uniformly decreased, the assessor may
34 notify the affected property owners by publication in
35 the official newspapers of the county. The owners of
36 real property shall be notified not later than April
37 15 of any adjustment of the real property assessment.
38 The notification shall include a supplemental return
39 form for the person to list the person's property and
40 any additions or modifications completed in the prior
41 year to a structure located on the property, as
42 required in section 441.19.

43 Sec. 6. Section 441.24, Code 2003, is amended to
44 read as follows:

45 441.24 REFUSAL TO FURNISH STATEMENT.

46 1. If a person refuses to furnish the verified
47 statements required in connection with the assessment
48 of property by the assessor, or to list the
49 corporation's or person's property, the director of
50 revenue and finance, or assessor, as the case may be,

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1 shall proceed to list and assess the property
2 according to the best information obtainable, and
3 shall add to the ~~taxable~~ agricultural land and square
4 footage valuation one hundred percent thereof, which
5 valuation and penalty shall be separately shown, and
6 shall constitute the assessment; and if the
7 agricultural land or square footage valuation of the
8 property is changed by a board of review, or on appeal
9 from a board of review, a like penalty shall be added
10 to the valuation thus fixed.

11 2. However, all or part of the penalty imposed
12 under this section may be waived by the board of
13 review upon application to the board by the assessor
14 or the property owner. The waiver or reduction in the
15 penalty shall be allowed only on the agricultural land
16 or the square footage valuation of ~~real property the~~

17 structure against which the penalty has been imposed.

18 Sec. 7. Section 441.26, unnumbered paragraph 3,
19 Code 2003, is amended to read as follows:

20 The notice in ~~1981~~ 2007 and each odd-numbered year
21 thereafter shall contain a statement that the
22 agricultural property assessments and property
23 assessed pursuant to section 441.21, subsection 2,
24 paragraph "b", subparagraph (1), and subsection 3,
25 paragraph "b", subparagraph (1), are subject to
26 equalization pursuant to an order issued by the
27 director of revenue and finance, that the county
28 auditor shall give notice on or before October 15 by
29 publication in an official newspaper of general
30 circulation to any ~~class of agricultural~~ property
31 affected by the equalization order, and that the board
32 of review shall be in session from October 15 to
33 November 15 to hear protests of affected property
34 owners or taxpayers whose valuations have been
35 adjusted by the equalization order.

36 Sec. 8. Section 441.26, unnumbered paragraphs 4
37 and 5, Code 2003, are amended to read as follows:

38 The assessment rolls shall be used in listing the
39 property, the number of structures, and the total
40 square footage of the structures by class of property,
41 and showing the values affixed to agricultural land
42 and the assessed value per square foot affixed to the
43 property the structures by class of property of all
44 persons assessed. The rolls shall be made in
45 duplicate. The duplicate roll shall be signed by the
46 assessor, detached from the original and delivered to
47 the person assessed if there has been an increase or
48 decrease in the valuation of the property. If there
49 has been no change in the evaluation, the information
50 on the roll may be printed on computer stock paper and

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1 preserved as required by this chapter. If the person
2 assessed requests in writing a copy of the roll, the
3 copy shall be provided to the person. The pages of
4 the assessor's assessment book shall contain columns
5 ruled and headed for the information required by this
6 chapter and that which the director of revenue and
7 finance deems essential in the equalization work of
8 the director. The assessor shall return all
9 assessment rolls and schedules to the county auditor,
10 along with the completed assessment book, as provided
11 in this chapter, and the county auditor shall
12 carefully keep and preserve the rolls, schedules and
13 book for a period of five years from the time of its
14 filing in the county auditor's office.
15 Beginning with valuations for January 1, ~~1977~~ 2006,

16 and each succeeding year, for each parcel of
17 agricultural property and for each structure entered
18 in the assessment book, the assessor shall list the
19 classification of the property.

20 Sec. 9. Section 441.35, subsection 1, Code 2003,
21 is amended by striking the subsection.

22 Sec. 10. Section 441.35, unnumbered paragraph 2,
23 Code 2003, is amended by striking the unnumbered
24 paragraph.

25 Sec. 11. Section 441.36, Code 2003, is amended to
26 read as follows:

27 441.36 CHANGE OF ASSESSMENT - NOTICE.

28 All changes in assessments authorized by the board
29 of review, and reasons therefor, shall be entered in
30 the minute book kept by said the board and on the
31 assessment roll. Said The minute book shall be filed
32 with the assessor after the adjournment of the board
33 of review and shall at all times be open to public
34 inspection. In case the value of any specific
35 property or structure or the entire assessment of any
36 person, partnership, or association is increased, or
37 new property or a new structure is added by the board,
38 the clerk shall give immediate notice thereof by mail
39 to each at the post-office address shown on the
40 assessment rolls, and at the conclusion of the action
41 of the board therein the clerk shall post an
42 alphabetical list of those whose assessments are thus
43 raised and added, in a conspicuous place in the office
44 or place of meeting of the board, and enter upon the
45 records a statement that such posting has been made,
46 which entry shall be conclusive evidence of the giving
47 of the notice required. The board shall hold an
48 adjourned meeting, with at least five days intervening
49 after the posting of said the notices, before final
50 action with reference to the raising of assessments or

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1 the adding of property or structures to the rolls is
2 taken, and the posted notices shall state the time and
3 place of holding such adjourned meeting, which time
4 and place shall also be stated in the proceedings of
5 the board.

6 Sec. 12. Section 441.37, subsection 1, paragraphs
7 a and b, Code 2003, are amended to read as follows:

8 a. That said the assessment is not equitable as
9 compared with assessments of other like property or
10 structures in the taxing district. When this ground
11 is relied upon as the basis of a protest the legal
12 description and assessments of a representative number
13 of comparable ~~properties~~ structures, as described by
14 the aggrieved taxpayer shall be listed on the protest,

15 otherwise ~~said~~ the protest shall not be considered on
16 this ground.

17 b. That the property or structure is assessed for
18 more than the value authorized by law, stating the
19 specific amount which the protesting party believes
20 the property or structure to be overassessed, and the
21 amount which the party considers to be its actual
22 value and the amount the party considers a fair
23 assessment.

24 Sec. 13. Section 441.39, Code 2003, is amended to
25 read as follows:

26 441.39 TRIAL ON APPEAL.

27 The court shall hear the appeal in equity and
28 determine anew all questions arising before the board
29 which relate to the liability of the property or
30 structure to assessment or the amount thereof. The
31 court shall consider all of the evidence and there
32 shall be no presumption as to the correctness of the
33 ~~valuation of assessment~~ appealed from. Its decision
34 shall be certified by the clerk of the court to the
35 county auditor, and the assessor, who shall correct
36 the assessment books accordingly.

37 Sec. 14. Section 441.42, Code 2003, is amended to
38 read as follows:

39 441.42 APPEAL ON BEHALF OF PUBLIC.

40 Any officer of a county, city, township, drainage
41 district, levee district, or school district
42 interested or a taxpayer thereof may in like manner
43 make complaint before ~~said~~ the board of review in
44 respect to the assessment of any property or structure
45 in the township, drainage district, levee district or
46 city and an appeal from the action of the board of
47 review in fixing the amount of assessment on any
48 property or structure concerning which such complaint
49 is made, may be taken by any of such aforementioned
50 officers.

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1 Such appeal is in addition to the appeal allowed to
2 the person whose property or structure is assessed and
3 shall be taken in the name of the county, city,
4 township, drainage district, levee district, or school
5 district interested, and tried in the same manner,
6 except that the notice of appeal shall also be served
7 upon the owner of the property or structure concerning
8 which the complaint is made and affected thereby or
9 person required to return said property or structure
10 for assessment.

11 Sec. 15. Section 441.43, Code 2003, is amended to
12 read as follows:

13 441.43 POWER OF COURT.

14 Upon trial of any appeal from the action of the
15 board of review fixing the amount of assessment upon
16 any property or structure concerning which complaint
17 is made, the court may increase, decrease, or affirm
18 the amount of the assessment appealed from.

19 Sec. 16. Section 441.45, subsections 1 and 2, Code
20 2003, are amended to read as follows:

21 1. The number of acres of land and the aggregate
22 taxable values of the agricultural land, exclusive of
23 city lots, returned by the assessors, as corrected by
24 the board of review.

25 2. The aggregate values of structures and the
26 taxable square footage values of real-estate
27 structures by class in each township and city in the
28 county and the aggregate value of agricultural land in
29 each township and city in the county, returned as
30 corrected by the board of review.

31 Sec. 17. Section 441.47, Code 2003, is amended by
32 adding the following new unnumbered paragraph:

33 NEW UNNUMBERED PARAGRAPH. For the assessment year
34 beginning January 1, 2007, and for all subsequent
35 assessment years, only property classified as
36 agricultural property and property assessed pursuant
37 to section 441.21, subsection 2, paragraph "b",
38 subparagraph (1), and subsection 3, paragraph "b",
39 subparagraph (1), shall be subject to equalization by
40 the director of revenue and finance under this section
41 and sections 441.48 and 441.49.

42 Sec. 18. NEW SECTION. 441.47a EQUALIZATION OF
43 INFLATION FACTORS.

44 The director of revenue and finance on or about
45 August 15, 2007, and every two years thereafter, shall
46 order the equalization of the assessed value per
47 square foot resulting from the application of the
48 cumulative inflation factor in the several assessing
49 jurisdictions in each case as may be necessary to
50 bring such values as fixed by the assessor in cases of

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1 purchases of property and newly constructed property
2 to the values determined for the assessment year
3 beginning January 1, 2005. In equalizing the effects
4 of the application of the cumulative inflation factor,
5 the department shall make use of reports issued by
6 Iowa state university of science and technology which
7 reports shall more precisely indicate, on a county-by-
8 county basis, annual and cumulative inflation factors
9 for each county. If the cumulative inflation factor
10 for an assessing jurisdiction as reported by Iowa
11 state university of science and technology is five
12 percent above or below the cumulative inflation factor

13 as defined in section 441.21, subsection 7, the
14 director shall notify the assessor by mail of the
15 equalization of the effects of the cumulative
16 inflation factor for the assessing jurisdiction. The
17 assessor shall recompute the assessments made pursuant
18 to section 441.21, subsection 2, paragraph "b",
19 subparagraph (1), subsection 3, paragraph "b",
20 subparagraph (1), and subsection 4, paragraph "b",
21 subparagraph (1), by applying the equalized inflation
22 factor. The assessor shall send notice of the
23 equalized assessments to all affected property owners.

24 Sec. 19. Section 441.50, Code 2003, is amended to
25 read as follows:

26 441.50 APPRAISERS EMPLOYED.

27 The conference board shall have power to employ
28 appraisers or other technical or expert help to assist
29 in the valuation assessment of property as provided in
30 section 441.21, the cost thereof to be paid in the
31 same manner as other expenses of the assessor's
32 office. The conference board may certify for levy
33 annually an amount not to exceed forty and one-half
34 cents per thousand dollars of assessed value of
35 taxable property for the purpose of establishing a
36 special appraiser's fund, to be used only for such
37 purposes. From time to time the conference board may
38 direct the transfer of any unexpended balance in the
39 special appraiser's fund to the assessment expense
40 fund.

41 Sec. 20. Section 443.1, Code 2003, is amended to
42 read as follows:

43 443.1 CONSOLIDATED TAX.

44 All square footage taxes which are uniform
45 throughout any township or school district shall be
46 formed into a single tax and entered upon the tax list
47 in a single column, to be known as a consolidated tax,
48 and each receipt shall show the percentage levied for
49 each separate fund. The land tax shall be separately
50 stated and each receipt shall show the percentage

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1 levied for each separate fund.

2 Sec. 21. Section 443.2, Code 2003, is amended to
3 read as follows:

4 443.2 TAX LIST.

5 Before the first day of July in each year, the
6 county auditor shall transcribe the assessments of the
7 townships and cities into a book or record, to be
8 known as the tax list, properly ruled and headed, with
9 separate columns, in which shall be entered the names
10 of the taxpayers, descriptions of lands, number of
11 acres and value, numbers of city lots, their size in

12 acres, and value, and each description of the square
13 footage tax and the land tax, with a column for polls
14 and one for payments, and shall complete it by
15 entering the amount due on each installment,
16 separately, and carrying out the total of both
17 installments. The total of all columns of each page
18 of each book or other record shall balance with the
19 tax totals. After computing the amount of land tax
20 and square footage tax due and payable on each
21 property, the county auditor shall round the total
22 amount of ~~tax~~ taxes due and payable on the property to
23 the nearest even whole dollar.

24 The county auditor shall list the aggregate actual
25 value and the aggregate taxable value of all taxable
26 property within the county and each political
27 subdivision including property subject to the
28 statewide property tax imposed under section 437A.18
29 on the tax list in order that the actual value of the
30 taxable property within the county or a political
31 subdivision may be ascertained and shown by the tax
32 list for the purpose of computing the debt-incurring
33 capacity of the county or political subdivision. As
34 used in this section, "actual value" is the value
35 determined under section 441.21, subsections 1 to 3,
36 Code 2005, prior to the reduction to a percentage of
37 actual value as otherwise provided in section 441.21,
38 Code 2005. "Actual value" of property subject to
39 statewide property tax is the assessed value under
40 section 437A.18.

41 Sec. 22. Section 443.3, Code 2003, is amended to
42 read as follows:

43 443.3 CORRECTION – TAX APPORTIONED.

44 At the time of transcribing ~~said~~ the assessments
45 into the tax list, the county auditor shall correct
46 all transfers up to date and place the legal
47 descriptions of all real estate in the name of the
48 owner at ~~said~~ that date as shown by the transfer book
49 in the auditor's office. At the end of the list for
50 each township or city the auditor shall make an

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1 abstract thereof, and apportion the consolidated tax
2 among the respective funds to which it belongs,
3 according to the amounts levied for each. The auditor
4 shall apportion the land tax as prescribed in section
5 443A.2.

6 Sec. 23. Section 443.6, Code 2003, is amended to
7 read as follows:

8 443.6 CORRECTIONS BY AUDITOR.

9 The auditor may correct any error in the assessment
10 or tax list, and the assessor or auditor may list for

11 taxation any omitted land and may assess and list for
12 taxation any omitted ~~property~~ structure.

13 Sec. 24. Section 443.7, Code 2003, is amended to
14 read as follows:

15 443.7 NOTICE.

16 Before listing for taxation any omitted land and
17 before assessing and listing for taxation any omitted
18 property structure, the assessor or auditor shall
19 notify by mail the person in whose name the ~~property~~
20 land or structure is taxed, to appear before the
21 assessor or auditor at the assessor's or auditor's
22 office within ten days from the date of the notice and
23 show cause, if any, why the correction or assessment
24 should not be made:

25 Sec. 25. Section 443.9, Code 2003, is amended to
26 read as follows:

27 443.9 ADJUSTMENT OF ACCOUNTS.

28 If such correction or assessment is made after the
29 books or other records approved by the state auditor
30 of state have passed into the hands of the treasurer,
31 the treasurer shall be charged or credited therefor as
32 the case may be. In the event such listing of omitted
33 land or listing and assessment of omitted ~~property~~
34 structure is made by the assessor after the tax
35 records have passed into the hands of the auditor or
36 treasurer, such correction or assessment shall be
37 entered on the records by the auditor or treasurer.

38 Sec. 26. Section 443.12, Code 2003, is amended to
39 read as follows:

40 443.12 CORRECTIONS BY TREASURER.

41 When property land or a structure subject to
42 taxation is withheld, overlooked, or from any other
43 cause is not listed, or is not listed and assessed,
44 the county treasurer shall, when apprised thereof, at
45 any time within two years from the date at which such
46 listing and assessment should have been made, demand
47 of the person, firm, corporation, or other party by
48 whom the same should have been listed, or to whom it
49 should have been listed and assessed, or of the
50 administrator thereof, the amount the property land or

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1 structure should have been taxed in each year the same
2 was so withheld or overlooked and not listed or not
3 listed and assessed, together with six percent
4 interest thereon from the time the taxes would have
5 become due and payable had such ~~property land~~ been
6 listed or such structure been listed and assessed.

7 Sec. 27. Section 443.13, Code 2003, is amended to
8 read as follows:

9 443.13 ACTION BY TREASURER - APPORTIONMENT.

10 Upon failure to pay such sum within thirty days,
 11 with all accrued interest, the treasurer shall cause
 12 an action to be brought in the name of the treasurer
 13 for the use of the proper county, to be prosecuted by
 14 the county attorney, or such other person as the board
 15 of supervisors may appoint, and when such ~~property~~
 16 land has been fraudulently withheld from listing or
 17 such structure fraudulently withheld from listing and
 18 assessment, there shall be added to the sum found to
 19 be due a penalty of fifty percent upon the amount,
 20 which shall be included in the judgment. The amount
 21 thus recovered shall be by the treasurer apportioned
 22 ratably as the taxes would have been if they had been
 23 paid according to law.

24 Sec. 28. Section 443.14, Code 2003, is amended to
 25 read as follows:

26 443.14 DUTY OF TREASURER.

27 The treasurer shall assess any ~~real property~~
 28 structure and shall list the acreage of any land
 29 subject to taxation which may have been omitted by the
 30 assessor, board of review, or county auditor, and
 31 collect taxes thereon, and in such cases shall note,
 32 opposite the tract or lot assessed, the words "by
 33 treasurer".

34 Sec. 29. Section 443.15, Code 2003, is amended to
 35 read as follows:

36 443.15 TIME LIMIT.

37 The assessment shall be made within two years after
 38 the tax list shall have been delivered to the
 39 treasurer for collection, and not afterwards, if the
 40 ~~property land or structure~~ is then owned by the person
 41 who should have paid the tax.

42 Sec. 30. Section 443.17, Code 2003, is amended to
 43 read as follows:

44 443.17 PRESUMPTION OF TWO-YEAR OWNERSHIP.

45 In any action or proceeding, now pending or
 46 hereafter brought, to recover taxes upon ~~property land~~
 47 not listed or agricultural land or a structure not
 48 listed and assessed for taxation during the lifetime
 49 of any decedent, it shall be presumed that any
 50 property, any evidence of ownership of property, and

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1 any evidence of a promise to pay, owned by a decedent
 2 at the date of the decedent's death, had been acquired
 3 and owned by such decedent more than two years before
 4 the date of the decedent's death; and the burden of
 5 proving that any such property had been acquired by
 6 such decedent less than two years before the date of
 7 the decedent's death shall be upon the heirs,
 8 legatees, and legal representatives of any such

9 decedent.

10 Sec. 31. Section 443.18, Code 2003, is amended to
11 read as follows:

12 443.18 REAL ESTATE – DUTY OF OWNER.

13 In all cases where ~~real estate~~ land subject to
14 taxation has not been listed or agricultural land or a
15 structure subject to taxation has not been listed and
16 assessed, the owner, or an agent of the owner, shall
17 have the same done by the treasurer, and pay the taxes
18 thereon; and if the owner fails to do so the treasurer
19 shall list or list and assess the same and collect the
20 tax assessed as the treasurer does other taxes.

21 Sec. 32. Section 443.19, Code 2003, is amended to
22 read as follows:

23 443.19 IRREGULARITIES, ERRORS AND OMISSIONS –
24 EFFECT.

25 ~~No a~~ failure of the owner to have such ~~property~~
26 land listed or agricultural land or structure listed
27 and assessed or to have the errors in the listing or
28 assessment corrected, and ~~no an~~ irregularity, error or
29 omission in the listing of such land or listing and
30 assessment of such ~~property~~ agricultural land or
31 structure, shall not affect in any manner the legality
32 of the taxes levied thereon, or affect any right or
33 title to such ~~real estate~~ property which would have
34 accrued to any party claiming or holding under and by
35 virtue of a deed executed by the treasurer as provided
36 by this title, had the listing and assessment of such
37 property been in all respects regular and valid.

38 Sec. 33. Section 443.21, Code 2003, is amended to
39 read as follows:

40 443.21 ASSESSMENTS CERTIFIED TO COUNTY AUDITOR.

41 All assessors and assessing bodies, including the
42 department of revenue and finance having authority
43 over the listing of land or listing and assessment of
44 ~~property~~ agricultural land and structures for tax
45 purposes shall certify to the county auditor of each
46 county the number of acres of land and the assessed
47 values of agricultural land and structures for all the
48 taxable property in such county as finally equalized
49 and determined, and the same shall be transcribed onto
50 the tax lists as required by section 443.2.

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1 Sec. 34. Section 443.22, Code 2003, is amended to
2 read as follows:

3 443.22 UNIFORM ASSESSMENTS MANDATORY.

4 All assessors and assessing bodies, including the
5 department of revenue and finance having authority
6 over the listing of land and listing and assessment of
7 ~~property~~ agricultural land and structures for tax

8 purposes, shall comply with sections 428.4, 428.29,
9 434.15, 438.13, 441.21, and 441.45. The department of
10 revenue and finance, having authority over the listing
11 and assessments, shall exercise its powers and perform
12 its duties under section 421.17 and other applicable
13 laws so as to require the uniform and consistent
14 application of said that section.

15 Sec. 35. NEW SECTION. 443A.1 LAND TAX.

16 Effective for the fiscal year beginning July 1,
17 2007, and all subsequent fiscal years, a land tax
18 shall be imposed against each acre or portion of an
19 acre of land in a county.

20 Sec. 36. NEW SECTION. 443A.2 APPORTIONMENT OF
21 LAND TAX.

22 1. The land tax for each county shall be
23 apportioned as follows:

24 In the unincorporated area of the county, the land
25 tax shall be distributed to the county, the school
26 district located in the unincorporated area of the
27 county, and other taxing entities located in the
28 unincorporated area of the county in the same
29 proportion that property taxes levied in the
30 unincorporated area of the county for the fiscal year
31 beginning July 1, 2006, were allocated to those
32 entities.

33 In the incorporated areas of the county, the land
34 tax shall be distributed to the city, the county, each
35 school district located within the city, and other
36 taxing entities located within the city in the same
37 proportion that property taxes levied in the city for
38 the fiscal year beginning July 1, 2006, were allocated
39 to those entities.

40 2. The city finance committee and the county
41 finance committee shall jointly determine the
42 adjustments to be made to the allocation of the land
43 tax in the case of boundary adjustments made to a
44 taxing district on or after January 1, 2006.

45 3. After the auditor has computed the amount of
46 land tax to be distributed to each taxing district,
47 the auditor shall compute the rate of tax to be levied
48 upon the square footage valuation of structures
49 pursuant to chapter 444.

50 Sec. 37. Section 444.1, Code 2003, is amended to

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1 read as follows:

2 444.1 BASIS FOR AMOUNT OF TAX.

3 In all taxing districts in the state, including
4 townships, school districts, cities and counties, when
5 by law then existing the people are authorized to
6 determine by vote, or officers are authorized to

7 estimate or determine, a rate of taxation required for
8 any public purpose, such rate shall in all cases be
9 estimated and based upon the amount of land tax
10 available to the district and the adjusted taxable
11 square footage valuation of such taxing district for
12 the preceding calendar year.

13 Sec. 38. Section 444.2, Code 2003, is amended to
14 read as follows:

15 444.2 AMOUNTS CERTIFIED IN DOLLARS.

16 When an authorized square footage tax rate within a
17 taxing district, including townships, school
18 districts, cities and counties, has been thus
19 determined as provided by law, the officer or officers
20 charged with the duty of certifying the authorized
21 rate to the county auditor or board of supervisors
22 shall, before certifying the rate, compute upon the
23 adjusted taxable square footage valuation of the
24 taxing district for the preceding fiscal year, the
25 amount of tax the rate will raise, stated in dollars,
26 and shall certify the computed amount in dollars and
27 not by rate, to the county auditor and board of
28 supervisors and shall further certify the percentage
29 of such amount to be levied against each class of
30 property.

31 Sec. 39. Section 444.3, Code 2003, is amended to
32 read as follows:

33 444.3 COMPUTATION OF SQUARE FOOTAGE RATE.

34 When the square footage valuations for the several
35 taxing districts shall have been adjusted by the
36 several boards for the current year, and the amount of
37 land tax to be distributed to each taxing district has
38 been deducted from the dollar amounts certified in
39 section 444.2 for each taxing district, the county
40 auditor shall thereupon apply such a rate, ~~not~~
41 ~~exceeding the rate authorized by law, or rates~~ as will
42 raise the amount required for such taxing district,
43 and when combined with the land tax amount will raise
44 an amount not exceeding the dollar amount authorized
45 by law for the taxing district, and ~~ne~~ will not raise
46 a larger amount. For purposes of computing the square
47 footage rate under this section, the adjusted taxable
48 square footage valuation of the property of a taxing
49 district does not include the valuation of property of
50 a railway corporation or its trustee which corporation

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1 has been declared bankrupt or is in bankruptcy
2 proceedings. Nothing in the preceding sentence
3 exempts the property of such railway corporation or
4 its trustee from taxation and the rate computed under
5 this section shall be levied on the taxable property

6 of such railway corporation or its trustee.

7 The square footage tax rate shall be expressed in
8 dollars and cents per one hundred dollars of valuation
9 per square foot.

10 Sec. 40. NEW SECTION. 444.9 COMPUTATION OF TAX.

11 The amount of tax imposed on any taxable property
12 is the sum of the amounts computed in subsections 1
13 and 2.

14 1. LAND TAX. The product of the land tax rate
15 times the number of acres or portion of an acre of the
16 taxable property.

17 2. SQUARE FOOTAGE TAX. The product of the square
18 footage tax rate times the valuation per square foot
19 of the taxable structure times the number of square
20 feet of the taxable structure. The square footage tax
21 shall be computed separately for each structure
22 located on the land.

23 Sec. 41. PROPERTY TAX IMPLEMENTATION COMMITTEE.

24 .1. On or before July 1, 2003, the department of
25 revenue and finance, in consultation with the
26 department of management, shall initiate and
27 coordinate the establishment of a property tax
28 implementation committee and provide staffing
29 assistance to the committee. The property tax
30 implementation committee shall include four members of
31 the general assembly, one each appointed by the
32 majority leader of the senate, the speaker of the
33 house of representatives, the minority leader of the
34 senate, and the minority leader of the house of
35 representatives. The committee shall also include
36 members appointed by the department of revenue and
37 finance representing the department of revenue and
38 finance, the department of management, counties,
39 cities, school districts, local assessors, commercial
40 property taxpayers, industrial property taxpayers,
41 residential property taxpayers, and agricultural
42 property taxpayers, and other appropriate
43 stakeholders. The department may consider
44 participation on the committee of former state
45 officials with expertise in budget and tax policy.
46 The chairpersons of the committee shall be those
47 members of the general assembly appointed by the
48 majority leader of the senate and the speaker of the
49 house of representatives.

50 2. The committee shall study and make

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1 recommendations relating to the land tax, square
2 footage tax, the baseline assessment for the square
3 footage tax, and other related provisions. The
4 committee shall also study and make recommendations on

5 issues relating to implementation of a land tax and
6 square footage tax, including, but not limited to,
7 whether or not maximum square footage rates and land
8 tax rates should be imposed and, if such rates are
9 recommended, the imposition of rates that have a
10 revenue neutral impact on classes of property, the
11 property tax financing portion of the school funding
12 formula, treatment of current property tax credits and
13 exemptions under a land tax and square footage tax and
14 continued state reimbursement of any credits or
15 exemptions, implementation of urban revitalization and
16 urban renewal programs under the land tax and square
17 footage tax, implementation of a payment in lieu of
18 taxes program for local government services, and
19 maintenance of equity among classes of taxpayers and
20 among taxpayers within the same class. The property
21 tax implementation committee shall also study the role
22 of property taxes in funding local government services
23 and the types of services currently funded by property
24 taxes.

25 3. The property tax implementation committee shall
26 direct three counties and cities within those counties
27 to submit data as prescribed by the committee. The
28 department of revenue and finance, in consultation
29 with the department of management, shall select the
30 three counties and the cities within those counties
31 that will be required to provide data to the
32 committee. The committee shall devise a system for
33 testing the data, including the necessary computer
34 hardware and software to allow the selected counties
35 and cities to prepare projected budgets, to determine
36 the rates for the land tax and the square footage tax
37 for those projected budgets, and to provide a sampling
38 of the effect on the various classes of property in
39 those jurisdictions. The committee shall use the data
40 and the results of the projections to resolve, and
41 make recommendations relating to, the issues described
42 in subsection 2, and related issues, in a revenue
43 neutral manner that will not result in a shift of
44 property tax burden between classes of property. The
45 committee shall submit to the general assembly by
46 October 31, 2003, October 31, 2004, and October 31,
47 2005, a report for each of those years resolving the
48 issues in subsection 2 and other related issues for
49 implementation of this Act. The reports shall include
50 detailed estimates of the cost to the counties and

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1 cities of providing the data and an estimate of the
2 cost of statewide implementation of this Act.

3 Sec. 42. EFFECTIVE AND APPLICABILITY DATES.

4 1. The section of this division of this Act
5 establishing the property tax implementation
6 committee, being deemed of immediate importance, takes
7 effect upon enactment.

8 2. The remainder of this division of this Act
9 takes effect July 1, 2005, and applies to assessment
10 years beginning on or after January 1, 2006, and
11 applies to tax collections for fiscal years beginning
12 on or after July 1, 2007.

13 Sec. 43. FUTURE REPEAL. This division of this Act
14 is repealed effective June 30, 2005.

15 DIVISION II

16 INDIVIDUAL INCOME TAX

17 2004-2006 TAX YEARS

18 Sec. 44. Section 422.5, subsection 1, paragraphs a
19 through i, Code 2003, are amended to read as follows:

20 For tax years beginning

21 in the calendar year:

22 2004 2005 2006

23 a. On all taxable income from
24 zero through one thousand dollars,
25 ~~thirty-six hundredths of one~~
26 percent: 35% 34% 33%

27 b. On all taxable income exceeding
28 one thousand dollars but not
29 exceeding two thousand dollars,
30 seventy-two hundredths of one
31 percent:71% .68% .65%

32 c. On all taxable income exceeding
33 two thousand dollars but not
34 exceeding four thousand dollars,
35 ~~two and forty-three hundredths~~
36 percent: 2.39% 2.30% 2.21%

37 d. On all taxable income exceeding
38 four thousand dollars but not
39 exceeding nine thousand dollars,
40 ~~four and one-half percent:~~ 4.42% 4.25% 4.09%

41 e. On all taxable income exceeding
42 nine thousand dollars but not
43 exceeding fifteen thousand
44 dollars, ~~six and twelve hundredths~~
45 percent: 6.01% 5.78% 5.56%

46 f. On all taxable income exceeding
47 fifteen thousand dollars but not
48 exceeding twenty thousand
49 dollars, ~~six and forty-eight hundredths~~
50 percent: 6.36% 6.12% 5.88%

1 g. On all taxable income exceeding
2 twenty thousand dollars but not

3 exceeding thirty thousand
 4 dollars, ~~six and eight tenths~~
 5 percent: 6.68% 6.42% 6.17%

6 h. On all taxable income exceeding
 7 thirty thousand dollars but not
 8 exceeding forty-five thousand
 9 dollars, ~~seven and ninety two hundredths~~
 10 percent: 7.78% 7.48% 7.19%

11 i. On all taxable income exceeding
 12 forty-five thousand dollars, ~~eight~~
 13 ~~and ninety eight hundredths~~
 14 percent: 8.82% 8.48% 8.15%

15 Sec. 45. EFFECTIVE AND APPLICABILITY DATE
 16 PROVISIONS. This division of this Act takes effect
 17 January 1, 2004, for tax years beginning on or after
 18 January 1, 2004, but before January 1, 2007.

19 DIVISION III

20 INDIVIDUAL INCOME TAX

21 2007 AND SUBSEQUENT TAX YEARS

22 Sec. 46. Section 422.5, subsection 1, paragraphs a
 23 through i, Code 2003, are amended to read as follows:

24 For tax years beginning
 25 in the calendar year:
 26 2007 and subsequent
 27 calendar years

28 a. On all taxable income from
 29 zero through one thousand dollars,
 30 ~~thirty six hundredths of one~~
 31 percent:31%

32 b. On all taxable income exceeding
 33 one thousand dollars but not
 34 exceeding two thousand dollars,
 35 ~~seventy two hundredths of one~~
 36 percent:61%

37 c. On all taxable income exceeding
 38 two thousand dollars but not
 39 exceeding four thousand dollars,
 40 ~~two and forty three hundredths~~
 41 percent: 2.06%

42 d. On all taxable income exceeding
 43 four thousand dollars but not
 44 exceeding nine thousand dollars,
 45 ~~four and one half percent:~~ 3.81%

46 e. On all taxable income exceeding
 47 nine thousand dollars but not
 48 exceeding fifteen thousand
 49 dollars, ~~six and twelve hundredths~~
 50 percent: 5.19%

1 f. On all taxable income exceeding

2 fifteen thousand dollars but not
 3 exceeding twenty thousand
 4 dollars, ~~six and forty-eight hundredths~~
 5 percent:..... 5.49%

6 g. On all taxable income exceeding
 7 twenty thousand dollars but not
 8 exceeding thirty thousand
 9 dollars, ~~six and eight-tenths~~
 10 percent:..... 5.76%

11 h. On all taxable income exceeding
 12 thirty thousand dollars but not
 13 exceeding forty-five thousand
 14 dollars, ~~seven and ninety-two hundredths~~
 15 percent:..... 6.71%

16 i. On all taxable income exceeding
 17 forty-five thousand dollars, ~~eight~~
 18 ~~and ninety-eight hundredths~~
 19 percent:..... 7.61%

20 Sec. 47. EFFECTIVE AND APPLICABILITY DATE
 21 PROVISIONS. This division of this Act takes effect
 22 January 1, 2007, for tax years beginning on or after
 23 January 1, 2007.

24 DIVISION IV
 25 INDIVIDUAL INCOME TAX
 26 2007 AND SUBSEQUENT TAX YEARS

27 Sec. 48. Section 422.4, subsection 1, paragraphs b
 28 and c, Code 2003, are amended to read as follows:

29 b. "Cumulative inflation factor" means the product
 30 of the annual inflation factor for the ~~1988~~ 2007
 31 calendar year and all annual inflation factors for
 32 subsequent calendar years as determined pursuant to
 33 this subsection. The cumulative inflation factor
 34 applies to all tax years beginning on or after January
 35 1 of the calendar year for which the latest annual
 36 inflation factor has been determined.

37 c. The annual inflation factor for the ~~1988~~ 2007
 38 calendar year is one hundred percent.

39 Sec. 49. Section 422.4, subsection 16, Code 2003,
 40 is amended to read as follows:

41 16. ~~The words "taxable "~~Taxable income" mean means
 42 the net income as defined in section 422.7 minus the
 43 deductions allowed by section 422.9, in the case of
 44 individuals; ~~in.~~ In the case of estates or trusts,
 45 ~~the words "taxable income" mean means~~ the taxable
 46 income, (without a deduction for personal exemption),
 47 as computed for federal income tax purposes under the
 48 Internal Revenue Code, but with the adjustments
 49 specified in section 422.7 ~~plus the lowa income tax~~
 50 ~~deducted in computing the federal taxable income and~~

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1 ~~minus federal income taxes as provided in section~~
2 ~~422.9.~~

3 Sec. 50. Section 422.5, subsection 1, Code 2003,
4 as amended by 2003 Iowa Acts, Senate File 442, section
5 4, is amended by striking the subsection and inserting
6 in lieu thereof the following:

7 1. a. A tax is imposed upon every resident and
8 nonresident of the state which tax shall be levied,
9 collected, and paid annually upon and with respect to
10 the entire taxable income at rates as follows:

11 (1) On all taxable income from zero through eight
12 thousand dollars, two and five hundredths percent.

13 (2) On all taxable income exceeding eight thousand
14 dollars but not exceeding one hundred thousand
15 dollars, four and sixty-five hundredths percent.

16 (3) On all taxable income exceeding one hundred
17 thousand dollars, four and nine-tenths percent.

18 b. (1) The tax imposed upon the taxable income of
19 a nonresident shall be computed by reducing the amount
20 determined pursuant to paragraph "a" by the amounts of
21 nonrefundable credits under this division and by
22 multiplying this resulting amount by a fraction of
23 which the nonresident's net income allocated to Iowa,
24 as determined in section 422.8, subsection 2,
25 paragraph "a", is the numerator and the nonresident's
26 total net income computed under section 422.7 is the
27 denominator. This provision also applies to
28 individuals who are residents of Iowa for less than
29 the entire tax year.

30 (2) The tax imposed upon the taxable income of a
31 resident shareholder in an S corporation which has in
32 effect for the tax year an election under subchapter S
33 of the Internal Revenue Code and carries on business
34 within and without the state may be computed by
35 reducing the amount determined pursuant to paragraph
36 "a" by the amounts of nonrefundable credits under this
37 division and by multiplying this resulting amount by a
38 fraction of which the resident's net income allocated
39 to Iowa, as determined in section 422.8, subsection 2,
40 paragraph "b", is the numerator and the resident's
41 total net income computed under section 422.7 is the
42 denominator. If a resident shareholder has elected to
43 take advantage of this subparagraph, and for the next
44 tax year elects not to take advantage of this
45 subparagraph, the resident shareholder shall not
46 reelect to take advantage of this subparagraph for the
47 three tax years immediately following the first tax
48 year for which the shareholder elected not to take
49 advantage of this subparagraph, unless the director
50 consents to the reelection. This subparagraph also

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1 applies to individuals who are residents of Iowa for
2 less than the entire tax year.

3 Sec. 51. Section 422.5, subsection 2, Code 2003,
4 is amended by striking the subsection and inserting in
5 lieu thereof the following:

6 2. a. However, if the married persons' filing
7 jointly or separately on a combined return, unmarried
8 head of household's, or surviving spouse's net income
9 exceeds thirteen thousand five hundred dollars or nine
10 thousand dollars in the case of all other persons, the
11 regular tax imposed under this division shall be the
12 lesser of the product of eight percent times the
13 portion of the net income in excess of thirteen
14 thousand five hundred dollars or nine thousand
15 dollars, as applicable, or the regular tax liability
16 computed without regard to this paragraph.

17 b. Paragraph "a" does not apply to estates and
18 trusts. Married taxpayers electing to file separately
19 shall compute the alternate tax described in paragraph
20 "a" using the total net income of the husband and
21 wife. The alternate tax described in paragraph "a"
22 does not apply if one spouse elects to carry back or
23 carry forward the loss as provided in section 422.9,
24 subsection 3. A person who is claimed as a dependent
25 by another person as defined in section 422.12 shall
26 not receive the benefit of paragraph "a" if the person
27 claiming the dependent has net income exceeding
28 thirteen thousand five hundred dollars or nine
29 thousand dollars as applicable or the person claiming
30 the dependent and the person's spouse have combined
31 net income exceeding thirteen thousand five hundred
32 dollars or nine thousand dollars as applicable.

33 Sec. 52. Section 422.5, subsection 5, Code 2003,
34 is amended to read as follows:

35 5. Upon determination of the latest cumulative
36 inflation factor, the director shall multiply each
37 dollar amount set forth in subsection 1, ~~paragraphs~~
38 ~~"a" through "i" of this section~~ paragraph "a", by this
39 cumulative inflation factor, shall round off the
40 resulting product to the nearest one dollar, and shall
41 incorporate the result into the income tax forms and
42 instructions for each tax year.

43 Sec. 53. Section 422.5, subsection 7, Code 2003,
44 is amended by striking the subsection.

45 Sec. 54. Section 422.7, Code 2003, as amended by
46 2003 Iowa Acts, Senate File 442, section 5, and House
47 File 674, sections 5 and 6, is amended by striking the
48 section and inserting in lieu thereof the following:

49 422.7 "NET INCOME" - HOW COMPUTED.

50 The term "net income" means the adjusted gross

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- 1 income before the net operating loss deduction as
2 properly computed for federal income tax purposes
3 under the Internal Revenue Code, with the following
4 adjustments:
- 5 1. The adjusted gross income is adjusted by adding
6 the sum of the following:
- 7 a. Add the amount of federal income tax refunds
8 received in a tax year beginning on or after January
9 1, 2007, but before January 1, 2010, to the extent
10 that the federal income tax was deducted on an Iowa
11 individual income tax return for a tax year beginning
12 prior to January 1, 2007.
- 13 b. Add interest and dividends from foreign
14 securities and from securities of state and other
15 political subdivisions exempt from federal income tax
16 under the Internal Revenue Code.
- 17 c. Add interest and dividends from regulated
18 investment companies exempt from federal income tax
19 under the Internal Revenue Code.
- 20 d. Add, to the extent not already included, income
21 from the sale of obligations of the state and its
22 political subdivisions. Income from the sale of these
23 obligations is exempt from the taxes imposed by this
24 division only if the law authorizing these obligations
25 specifically exempts the income from the sale from the
26 state individual income tax.
- 27 e. Add the amount resulting from the cancellation
28 of a participation agreement refunded to the taxpayer
29 as a participant in the Iowa educational savings plan
30 trust under chapter 12D to the extent previously
31 deducted as a contribution to the trust.
- 32 2. The adjusted gross income is adjusted by
33 subtracting the sum of the following:
- 34 a. Subtract the amount of federal income taxes
35 paid or accrued, as the case may be, in a tax year
36 beginning on or after January 1, 2007, but before
37 January 1, 2010, to the extent the federal tax payment
38 is for a tax year beginning prior to January 1, 2007.
- 39 b. Subtract interest and dividends from federal
40 securities.
- 41 c. Subtract the loss on the sale or exchange of a
42 share of a regulated investment company held for six
43 months or less to the extent the loss was disallowed
44 under section 852(b)(4)(B) of the Internal Revenue
45 Code.
- 46 d. (1) Subtract, to the extent included, the
47 amount of additional social security benefits taxable
48 under the Internal Revenue Code for tax years
49 beginning on or after January 1, 1994. The amount of
50 social security benefits taxable as provided in

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1 section 86 of the Internal Revenue Code, as amended up
2 to and including January 1, 1993, continues to apply
3 for state income tax purposes for tax years beginning
4 on or after January 1, 1994.

5 (2) Married taxpayers, who file a joint federal
6 income tax return and who elect to file separate
7 returns or who elect separate filing on a combined
8 return for state income tax purposes, shall allocate
9 between the spouses the amount of benefits subtracted
10 under subparagraph (1) from net income in the ratio of
11 the social security benefits received by each spouse
12 to the total of these benefits received by both
13 spouses.

14 e. (1) For a person who is disabled, or is fifty-
15 five years of age or older, or is the surviving spouse
16 of an individual or a survivor having an insurable
17 interest in an individual who would have qualified for
18 the exemption under this paragraph for the tax year,
19 subtract, to the extent included, the total amount of
20 a governmental or other pension or retirement pay,
21 including, but not limited to, defined benefit or
22 defined contribution plans, annuities, individual
23 retirement accounts, plans maintained or contributed
24 to by an employer, or maintained or contributed to by
25 a self-employed person as an employer, and deferred
26 compensation plans or any earnings attributable to the
27 deferred compensation plans, up to a maximum of six
28 thousand dollars for a person, other than a husband or
29 wife, who files a separate state income tax return and
30 up to a maximum of twelve thousand dollars for a
31 husband and wife who file a joint state income tax
32 return.

33 (2) However, a surviving spouse who is not
34 disabled or fifty-five years of age or older can only
35 exclude the amount of pension or retirement pay
36 received as a result of the death of the other spouse.
37 a husband and wife filing separate state income tax
38 returns or separately on a combined return are allowed
39 a combined maximum exclusion under this paragraph "e"
40 of up to the amount allowed for a husband and wife who
41 file a joint state income tax return. The exclusion
42 shall be allocated to the husband or wife in the
43 proportion that each spouse's respective pension and
44 retirement pay received bears to total combined
45 pension and retirement pay received.

46 f. Notwithstanding the method for computing income
47 from an installment sale under section 453 of the
48 Internal Revenue Code, as defined in section 422.3,
49 the method to be used in computing income from an
50 installment sale shall be the method under section 453

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1 of the Internal Revenue Code, as amended up to and
2 including January 1, 2000. A taxpayer affected by
3 this paragraph shall make adjustments in the adjusted
4 gross income pursuant to rules adopted by the
5 director.

6 The adjustment to net income provided in this
7 paragraph "f" is repealed for tax years beginning on
8 or after January 1, 2002. However, to the extent that
9 a taxpayer using the accrual method of accounting
10 reported the entire capital gain from the sale or
11 exchange of property on the Iowa return for the tax
12 year beginning in the 2001 calendar year and the
13 capital gain was reported on the installment method on
14 the federal income tax return, any additional
15 installment from the capital gain reported for federal
16 income tax purposes is not to be included in net
17 income in tax years beginning on or after January 1,
18 2002.

19 g. Subtract, if the taxpayer is the owner of an
20 individual development account certified under chapter
21 541a at any time during the tax year, all of the
22 following:

23 (1) Contributions made to the account by persons
24 and entities, other than the taxpayer, as authorized
25 in chapter 541A.

26 (2) The amount of any savings refund authorized
27 under section 541A.3, subsection 1.

28 (3) Earnings from the account.

29 h. (1) Subtract the maximum contribution that may
30 be deducted for income tax purposes as a participant
31 in the Iowa educational savings plan trust pursuant to
32 section 12D.3, subsection 1, paragraph "a".

33 (2) Subtract, to the extent included, income from
34 interest and earnings received from the Iowa
35 educational savings plan trust created in chapter 12D.

36 (3) Subtract, to the extent not deducted for
37 federal income tax purposes, the amount of any gift,
38 grant, or donation made to the Iowa educational
39 savings plan trust for deposit in the endowment fund
40 of that trust.

41 i. Subtract, to the extent included, active duty
42 pay received by a person in the national guard or
43 armed forces military reserve for services performed
44 on or after August 2, 1990, pursuant to military
45 orders related to the Persian Gulf Conflict.

46 j. Subtract, to the extent included, active duty
47 pay received by a person in the national guard or
48 armed forces military reserve for service performed on
49 or after November 21, 1995, pursuant to military
50 orders related to peacekeeping in Bosnia-Herzegovina.

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1 k. Subtract, to the extent included, the
2 following:

3 (1) Payments made to the taxpayer because of the
4 taxpayer's status as a victim of persecution for
5 racial, ethnic, or religious reasons by Nazi Germany
6 or any other Axis regime or as an heir of such victim.

7 (2) Items of income attributable to, derived from,
8 or in any way related to assets stolen from, hidden
9 from, or otherwise lost to a victim of persecution for
10 racial, ethnic, or religious reasons by Nazi Germany
11 or any other Axis regime immediately prior to, during,
12 and immediately after World War II, including, but not
13 limited to, interest on the proceeds receivable as
14 insurance under policies issued to a victim of
15 persecution for racial, ethnic, or religious reasons
16 by Nazi Germany or any other Axis regime by European
17 insurance companies immediately prior to and during
18 World War II. However, income from assets acquired
19 with such assets or with the proceeds from the sale of
20 such assets shall not be subtracted. This
21 subparagraph shall only apply to a taxpayer who was
22 the first recipient of such assets after recovery of
23 the assets and who is a victim of persecution for
24 racial, ethnic, or religious reasons by Nazi Germany
25 or any other Axis regime or is an heir of such victim.

26 l. Subtract, to the extent included, active duty
27 pay received by a person in the national guard or
28 armed forces military reserve for service performed on
29 or after January 1, 2003, pursuant to military orders
30 related to Operation Iraqi Freedom, Operation Noble
31 Eagle, and Operation Enduring Freedom.

32 m. Subtract, not to exceed one thousand five
33 hundred dollars, the overnight transportation, meals,
34 and lodging expenses, to the extent not reimbursed,
35 incurred by the taxpayer for travel away from home of
36 more than one hundred miles for the performance of
37 services by the taxpayer as a member of the national
38 guard or armed forces military reserve.

39 n. Subtract, to the extent included, military
40 student loan repayments received by the taxpayer
41 serving on active duty in the national guard or armed
42 forces military reserve or on active duty status in
43 the armed forces.

44 o. Subtract, to the extent not otherwise excluded,
45 the amount of the death gratuity payable under 10
46 U.S.C. § 1475-1491 for deaths occurring after
47 September 10, 2001.

48 3. a. In determining the amount of federal income
49 tax refunds or taxes paid or accrued under subsection
50 1 or 2, for tax years beginning in the 2001 calendar

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1 year, the amount shall not be adjusted by the amount
2 received during the tax year of the advanced refund of
3 the rate reduction tax credit provided pursuant to the
4 federal Economic Growth and Tax Relief Reconciliation
5 Act of 2001, Pub. L. No. 107-16, and the advanced
6 refund of such credit shall not be subject to taxation
7 under this division.

8 b. In determining the amount of federal income tax
9 refunds or taxes paid or accrued under subsection 1 or
10 2, for tax years beginning in the 2002 calendar year,
11 the amount shall not be adjusted by the amount of the
12 rate reduction credit received during the tax year to
13 the extent that the credit is attributable to the rate
14 reduction credit provided pursuant to the federal
15 Economic Growth and Tax Relief Reconciliation Act of
16 2001, Pub. L. No. 107-16, and the amount of such
17 credit shall not be taxable under this division.

18 4. The additional first-year depreciation
19 allowance authorized in section 168(k) of the Internal
20 Revenue Code, as enacted by Pub. L. No. 107-147,
21 section 101, does not apply in computing net income
22 for state tax purposes. If the taxpayer has taken
23 such deduction in computing federal adjusted gross
24 income, the following adjustments shall be made:
25 a. Add the total amount of depreciation taken on
26 all property for which the election under section
27 168(k) of the Internal Revenue Code was made for the
28 tax year.

29 b. Subtract an amount equal to depreciation taken
30 on such property for the tax year using the modified
31 accelerated cost recovery system depreciation method
32 applicable under section 168 of the Internal Revenue
33 Code without regard to section 168(k).

34 c. Any other adjustments to gains or losses to
35 reflect the adjustments made in paragraphs "a" and "b"
36 pursuant to rules adopted by the director.

37 Sec. 55. Section 422.8, subsection 2, paragraph a,
38 Code 2003, is amended to read as follows:

39 a. Nonresident's net income allocated to Iowa is
40 the net income, or portion of net income, which is
41 derived from a business, trade, profession, or
42 occupation carried on within this state or income from
43 any property, trust, estate, or other source within
44 Iowa. However, income derived from a business, trade,
45 profession, or occupation carried on within this state
46 and income from any property, trust, estate, or other
47 source within Iowa shall not include distributions
48 from pensions, including defined benefit or defined
49 contribution plans, annuities, individual retirement
50 accounts, and deferred compensation plans or any

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1 earnings attributable thereto so long as the
2 distribution is directly related to an individual's
3 documented retirement and received while the
4 individual is a nonresident of this state. If a
5 business, trade, profession, or occupation is carried
6 on partly within and partly without the state, only
7 the portion of the net income which is fairly and
8 equitably attributable to that part of the business,
9 trade, profession, or occupation carried on within the
10 state is allocated to Iowa for purposes of section
11 422.5, subsection 1, paragraph "j" "b", and section
12 422.13 and income from any property, trust, estate, or
13 other source partly within and partly without the
14 state is allocated to Iowa in the same manner, except
15 that annuities, interest on bank deposits and
16 interest-bearing obligations, and dividends are
17 allocated to Iowa only to the extent to which they are
18 derived from a business, trade, profession, or
19 occupation carried on within the state.

20 Sec. 56. Section 422.8, subsection 4, Code 2003,
21 is amended by striking the subsection.

22 Sec. 57. Section 422.9, subsection 1, Code 2003,
23 is amended to read as follows:

24 1. An optional standard deduction, ~~after deduction~~
25 ~~of federal income tax~~, equal to one thousand two
26 hundred thirty dollars for a married person who files
27 separately or a single person or equal to three
28 thousand thirty dollars for a husband and wife who
29 file a joint return, a surviving spouse, or an
30 unmarried head of household. ~~The optional standard~~
31 ~~deduction shall not exceed the amount remaining after~~
32 ~~deduction of the federal income tax.~~

33 Sec. 58. Section 422.9, subsection 2, paragraph b,
34 Code 2003, is amended by striking the paragraph.

35 Sec. 59. Section 422.9, subsections 6 and 7, Code
36 2003, are amended by striking the subsections.

37 Sec. 60. Section 422.11B, subsection 1, Code 2003,
38 is amended to read as follows:

39 1. There is allowed as a credit against the tax
40 determined in section 422.5, subsection 1, paragraphs
41 "a" through "j" for a tax year an amount equal to the
42 minimum tax credit for that tax year.

43 The minimum tax credit for a tax year is the
44 excess, if any, of the adjusted net minimum tax
45 imposed for all prior tax years beginning on or after
46 January 1, 1987, but before January 1, 2007, over the
47 amount allowable as a credit under this section for
48 those prior tax years.

49 If a minimum tax credit is available to a tax
50 period beginning on or after January 1, 2007, the

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1 credit can be carried over to tax years beginning on
2 or after January 1, 2007, but before January 1, 2010.
3 The minimum tax credit is limited to the tax
4 determined in section 422.5, subsection 1, paragraphs
5 "a" and "b".

6 Sec. 61. Section 422.13, subsection 1, paragraph
7 c, and subsection 1A, Code 2003, are amended to read
8 as follows:

9 c. However, if that part of the net income of a
10 nonresident which is allocated to Iowa pursuant to
11 section 422.8, subsection 2, is less than one thousand
12 dollars the nonresident is not required to make and
13 sign a return ~~except when the nonresident is subject~~
14 ~~to the state alternative minimum tax imposed pursuant~~
15 ~~to section 422.5, subsection 1, paragraph "k".~~

16 1A. Notwithstanding any other provision in this
17 section, a resident of this state is not required to
18 make and file a return if the person's net income is
19 equal to or less than the appropriate dollar amount
20 listed in section 422.5, subsection 2, upon which tax
21 is not imposed. A nonresident of this state is not
22 required to make and file a return if the person's
23 total net income in section 422.5, subsection 1,
24 paragraph "j", "b", is equal to or less than the
25 appropriate dollar amount provided in section 422.5,
26 subsection 2, upon which tax is not imposed. For
27 purposes of this subsection, the amount of a lump sum
28 distribution subject to separate federal tax shall be
29 included in net income for purposes of determining if
30 a resident is required to file a return and the
31 portion of the lump sum distribution that is allocable
32 to Iowa is included in total net income for purposes
33 of determining if a nonresident is required to make
34 and file a return.

35 Sec. 62. Section 422.21, unnumbered paragraph 5,
36 Code 2003, is amended to read as follows:

37 The director shall determine for the ~~1989~~ 2008 and
38 each subsequent calendar year the annual and
39 cumulative inflation factors for each calendar year to
40 be applied to tax years beginning on or after January
41 1 of that calendar year. The director shall compute
42 the new dollar amounts as specified to be adjusted in
43 section 422.5 by the latest cumulative inflation
44 factor and round off the result to the nearest one
45 dollar. The annual and cumulative inflation factors
46 determined by the director are not rules as defined in
47 section 17A.2, subsection 11. The director shall
48 determine for the 1990 calendar year and each
49 subsequent calendar year the annual and cumulative
50 standard deduction factors to be applied to tax years

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1 beginning on or after January 1 of that calendar year.
2 The director shall compute the new dollar amounts of
3 the standard deductions specified in section 422.9,
4 subsection 1, by the latest cumulative standard
5 deduction factor and round off the result to the
6 nearest ten dollars. The annual and cumulative
7 standard deduction factors determined by the director
8 are not rules as defined in section 17A.2, subsection
9 11.

10 Sec. 63. Section 422.11B, Code 2003, is repealed.

11 COORDINATING AMENDMENTS

12 Sec. 64. Section 12D.9, subsection 2, Code 2003,
13 is amended to read as follows:

14 2. State income tax treatment of the Iowa
15 educational savings plan trust shall be as provided in
16 section 422.7, ~~subsections 32, 33, and 34~~ subsection
17 1, paragraph "e", and subsection 2, paragraph "h", and
18 section 422.35, subsection 14.

19 Sec. 65. Section 217.39, Code 2003, is amended to
20 read as follows:

21 217.39 PERSECUTED VICTIMS OF WORLD WAR II – 22 REPARATIONS – HEIRS.

23 Notwithstanding any other law of this state,
24 payments paid to and income from lost property of a
25 victim of persecution for racial, ethnic, or religious
26 reasons by Nazi Germany or any other Axis regime or as
27 an heir of such victim which is exempt from state
28 income tax as provided in section 422.7, subsection 35
29 2, paragraph "k", shall not be considered as income or
30 an asset for determining the eligibility for state or
31 local government benefit or entitlement programs. The
32 proceeds are not subject to recoupment for the receipt
33 of governmental benefits or entitlements, and liens,
34 except liens for child support, are not enforceable
35 against these sums for any reason.

36 Sec. 66. Section 422.120, subsection 1, paragraph
37 b, subparagraph (3), Code 2003, is amended to read as
38 follows:

39 (3) The annual index factor for the 1997 calendar
40 year is one hundred percent. ~~For each subsequent the~~
41 1998 through 2006 calendar year years, the annual
42 index factor equals the annual inflation factor for
43 that calendar year as computed in section 422.4 for
44 purposes of the individual income tax. For the 2007
45 calendar year and each subsequent calendar year the
46 annual index factor shall be determined by the
47 department by October 15 of the calendar year
48 preceding the calendar year for which the factor is
49 determined, which reflects the purchasing power of the
50 dollar as a result of inflation during the fiscal year

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1 ending in the calendar year preceding the calendar
2 year for which the factor is determined. In
3 determining the annual index factor, the department
4 shall use the annual percent change, but not less than
5 zero percent, in the gross domestic product price
6 deflator computed for the second quarter of the
7 calendar year by the bureau of economic analysis of
8 the United States department of commerce and shall add
9 all of that percent change to one hundred percent.
10 The annual index factor and the cumulative index
11 factor shall each be expressed as a percentage rounded
12 to the nearest one-tenth of one percent. The annual
13 index factor shall not be less than one hundred
14 percent.

15 Sec. 67. Section 425.23, subsection 4, paragraph
16 b, Code 2003, is amended to read as follows:

17 b. The annual adjustment factor for the 1998 base
18 year is one hundred percent. For each subsequent the
19 1999 through 2006 base year years, the annual
20 adjustment factor equals the annual inflation factor
21 for the calendar year, in which the base year begins,
22 as computed in section 422.4 for purposes of the
23 individual income tax. For the 2007 base year and
24 each subsequent base year, the annual adjustment
25 factor equals the annual index factor, in which the
26 base year begins, as computed in section 422.120,
27 subsection 1, for purposes of the livestock production
28 tax credit.

29 Sec. 68. Section 450.4, subsection 8, Code 2003,
30 is amended to read as follows:

31 8. On the value of that portion of any lump sum or
32 installment payments which are received by a
33 beneficiary under an annuity which was purchased under
34 an employee's pension or retirement plan which was
35 excluded from net income ~~as set forth in~~ under section
36 ~~422.7, subsection 31.~~

37 Sec. 69. Section 541A.2, subsection 7, unnumbered
38 paragraph 1, Code 2003, is amended to read as follows:

39 An individual development account closed in
40 accordance with this subsection is not subject to the
41 limitations and benefits provided by this chapter but
42 is subject to state tax in accordance with the
43 provisions of section 422.7, subsection ~~28~~ 2,
44 paragraph "g", and section 450.4, subsection 6. An
45 individual development account may be closed for any
46 of the following reasons:

47 Sec. 70. Section 541A.3, subsection 2, Code 2003,
48 is amended to read as follows:

49 2. Income earned by an individual development
50 account is not subject to state tax, in accordance

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1 with the provisions of section 422.7, subsection 28 2,
2 paragraph "g".

3 Sec. 71. Division III of this Act is repealed.

4 CONTINGENT EFFECTIVE AND APPLICABILITY DATE PROVISION

5 Sec. 72.

6 1. This division of this Act takes effect upon
7 ratification prior to January 1, 2007, of an amendment
8 to the Constitution of the State of Iowa requiring a
9 three-fifths majority vote of each house of the
10 general assembly in order to pass a bill that amends
11 the state individual income tax by raising the rate or
12 rates of the individual income tax or of an amendment
13 to the Constitution of the State of Iowa requiring a
14 statewide referendum in order to approve a bill that
15 amends the state individual income tax by raising the
16 rate or rates of the individual income tax.

17 2. If this division of this Act takes effect as
18 provided in subsection 1, this division of this Act,
19 except as provided in subsection 3, applies to tax
20 years beginning on or after January 1, 2007.

21 3. The section of this division of this Act
22 repealing section 422.11B applies to tax years
23 beginning on or after January 1, 2010.

24 DIVISION V

25 SALES AND USE TAX STUDIES

26 Sec. 73. INDUSTRIAL PROCESSING EXEMPTION STUDY
27 COMMITTEE. On or before July 1, 2003, the department
28 of revenue and finance shall initiate and coordinate
29 the establishment of an industrial processing
30 exemption study committee and provide staffing
31 assistance to the committee. It is the intent of the
32 general assembly that the committee shall include
33 representatives of the department of revenue and
34 finance, department of management, industrial
35 producers including manufacturers, fabricators,
36 printers and publishers, and an association that
37 specifically represents business tax issues, and other
38 stakeholders.

39 The industrial processing exemption under the sales
40 and use tax is a significant exemption for business.
41 The committee shall study and make legislative and
42 administrative recommendations relating to Iowa's
43 processing exemption to ensure maximum utilization by
44 Iowa's industries.

45 The committee shall study and make recommendations
46 regarding all of the following:

47 1. The current sales and use tax industrial
48 processing exemption.

49 2. The corresponding administrative rules,
50 including a review and recommendation of an

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1 administrative rules process relating to the
2 industrial processing exemption prior to filing with
3 the administrative rules review committee.

4 3. Other states' industrial processing exemptions.

5 4. Recommendations for change for issues including
6 effectiveness and competitiveness.

7 5. Development of additional publications to
8 improve compliance.

9 The committee shall annually report to the general
10 assembly by January 1 of each year through January 1,
11 2013.

12 Sec. 74. IOWA SALES, SERVICES, AND USE TAX STUDY

13 COMMITTEE. On or before July 1, 2003, the department

14 of revenue and finance shall initiate and coordinate

15 the establishment of a state sales, services, and use

16 tax study committee and provide staffing assistance to

17 the committee. It is the intent of the general

18 assembly that the committee shall include

19 representatives of the department of revenue and

20 finance, department of management, an association of

21 Iowa farmers and other agricultural interests, retail

22 associations, contractors, taxpayers, an association

23 that specifically represents business tax issues, and

24 other stakeholders, two members of the general

25 assembly, and a representative of the governor's

26 office.

27 The committee shall study the current sales,

28 services, and use tax law. Programs funded through

29 special features of the tax code often escape regular

30 review. It is intended that the study committee shall

31 review the current sales, services, and use tax

32 exemptions to improve government accountability.

33 The committee shall study and make recommendations

34 regarding all of the following:

35 1. Retaining or eliminating current sales,

36 services, and use tax exemptions or providing new

37 exemptions. Such decisions shall be based at least

38 partially on the issues of effectiveness and

39 competitiveness and their impact on economic behavior.

40 2. Tax simplification and consistency issues in

41 applying the tax, including recordkeeping burdens on

42 retailers and application by the department of revenue

43 and finance.

44 3. Streamlining sales tax implementation in Iowa.

45 4. The tax rate.

46 5. Comparison of Iowa sales, services, and use tax

47 structure with other states.

48 The committee shall report to the general assembly

49 by January 1, 2004. The report shall provide

50 rationale for each decision made by the study

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1 committee.

2 Sec. 75. EFFECTIVE DATE. This division of this
3 Act, being deemed of immediate importance, takes
4 effect July 1, 2003.

5 DIVISION VI

6 GROW IOWA BOARD AND FUND

7 Sec. 76. Section 15.108, subsection 9, Code 2003,
8 is amended by adding the following new paragraph:

9 NEW PARAGRAPH. g. Administer the marketing
10 strategy selected pursuant to section 15G.108.

11 Sec. 77. NEW SECTION. 15G.101 DEFINITIONS.

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

14 1. "Board" means the grow Iowa board established
15 in section 15G.102.

16 2. "Department" means the Iowa department of
17 economic development created in section 15.105.

18 3. "Director" means the director of the department
19 of economic development.

20 4. "Fund" means the grow Iowa fund created in
21 section 15G.107.

22 5. "Grow Iowa geographic regions" means the
23 geographic regions defined in section 15G.105.

24 Sec. 78. NEW SECTION. 15G.102 GROW IOWA BOARD.

25 1. The grow Iowa board is established consisting
26 of nine voting members. The grow Iowa board shall be
27 located for administrative purposes within the
28 department and the director shall provide office
29 space, staff assistance, and necessary supplies and
30 equipment for the board. The director shall budget
31 moneys to pay the compensation and expenses of the
32 board. In performing its functions, the board is
33 performing a public function on behalf of the state
34 and is a public instrumentality of the state.

35 2. a. The members of the board shall be appointed
36 as follows:

37 (1) Five individuals appointed by the governor,
38 subject to confirmation by the senate.

39 (2) Four individuals appointed by the legislative
40 council.

41 b. All appointments shall comply with sections
42 69.16 and 69.16A.

43 c. At least one member of the board shall be from
44 each grow Iowa geographic region.

45 d. Each of the following areas of expertise shall
46 be represented by at least one member of the board who
47 has professional experience in that area of expertise:

48 (1) Accounting and finance.

49 (2) Business development for employers with less
50 than two hundred employees and sales of less than ten

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1 million dollars per year.

2 (3) Insurance.

3 (4) Economics.

4 (5) Personnel.

5 e. All members of the board shall be actively
6 employed in the private, for-profit sector of the
7 economy.

8 f. The board membership shall be balanced between
9 representation by employers with less than two hundred
10 employees and employers with two hundred or more
11 employees.

12 3. The chairperson and vice chairperson shall be
13 elected by the members of the board from the
14 membership of the board. In the case of the absence
15 or disability of the chairperson and vice chairperson,
16 the members of the board shall elect a temporary
17 chairperson by a majority vote of those members who
18 are present and voting, provided a quorum is present.

19 4. The members of the board shall be appointed to
20 three-year staggered terms and the terms shall
21 commence and end as provided in section 69.19. If a
22 vacancy occurs, a successor shall be appointed in the
23 same manner and subject to the same qualifications as
24 the original appointment to serve the unexpired term.

25 5. A majority of the board constitutes a quorum.

26 6. A member of the board shall abstain from voting
27 on the provision of financial assistance to a project
28 which is located in the county in which the member of
29 the board resides.

30 7. The members of the board are entitled to
31 receive reimbursement for actual expenses incurred
32 while engaged in the performance of official duties.

33 a board member may also be eligible to receive
34 compensation as provided in section 7E.6.

35 Sec. 79. NEW SECTION. 15G.103 BOARD DUTIES.

36 The board shall do all of the following:

37 1. Organize.

38 2. Receive advice and recommendations from the
39 grow Iowa investment board, the economic development
40 marketing board, and the grow Iowa review commission.

41 3. Provide advice and recommendations to the
42 department and the Iowa economic development board for
43 making appropriations from and administering the grow
44 Iowa fund. A recommendation made by the grow Iowa
45 board to the department or the Iowa economic
46 development board shall be either approved or denied
47 by the department or the Iowa economic development
48 board.

49 4. Assist the department in implementing programs
50 and activities in a manner designed to achieve the

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1 goals set out in section 15G.106.

2 5. By December 15 of each year, submit a written
3 report to the general assembly reviewing the
4 activities of the board during the calendar year. The
5 report shall include information necessary for the
6 review of the goals and performance measures set out
7 in section 15G.106. State agencies and other entities
8 receiving moneys from the fund shall cooperate with
9 and assist the board in compilation of the report.

10 6. Adopt administrative rules pursuant to chapter
11 17a necessary to administer this chapter. This
12 delegation shall be construed narrowly.

13 Sec. 80. NEW SECTION. 15G.104 GROW IOWA
14 INVESTMENT BOARD.

15 1. A grow Iowa investment board is established
16 consisting of three members and is located for
17 administrative purposes within the department. The
18 director of the department shall provide office space,
19 staff assistance, and necessary supplies and equipment
20 for the board. The director shall budget moneys to
21 pay the compensation and expenses of the board. In
22 performing its functions, the board is performing a
23 public function on behalf of the state and is a public
24 instrumentality of the state.

25 2. a. Membership of the grow Iowa investment
26 board shall include all of the following:

27 (1) One member appointed by the governor from a
28 list of three banking representatives provided by the
29 superintendent of banking. This member shall serve a
30 three-year term.

31 (2) One member appointed by the governor from a
32 list of entrepreneurs provided jointly by the Iowa
33 association of business and industry and the national
34 federation of independent business. This member shall
35 serve a three-year term.

36 (3) The entrepreneur of the year as selected by
37 the Iowa small business development centers shall be
38 offered a one-year membership on the investment board.
39 If the entrepreneur of the year declines to serve on
40 the investment board, a member shall be appointed by
41 the governor from the list provided pursuant to
42 subparagraph (2) for the one-year term.

43 b. The chairperson and vice chairperson of the
44 grow Iowa investment board shall be elected by and
45 from the investment board members. The terms of the
46 members shall commence and end as provided by section
47 69.19. If a vacancy occurs, a successor shall be
48 appointed in the same manner and subject to the same
49 qualifications as the original appointment to serve
50 the unexpired term. A majority of the investment

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1 board constitutes a quorum.

2 3. The grow Iowa investment board, after a
3 thorough review, shall determine whether a proposed
4 project using moneys from the grow Iowa fund is
5 practical and shall provide recommendations to the
6 grow Iowa board regarding any moneys proposed to be
7 expended from the grow Iowa fund, with the exception
8 of moneys appropriated for purposes of the loan and
9 credit guarantee program and regarding whether a
10 proposed project is practical. The recommendations
11 shall be based on whether the expenditure would make
12 the achievement of the goals in accordance with the
13 performance measures set out in section 15G.106 more
14 likely. The recommendations may include conditions or
15 that proposed expenditure be rejected. The grow Iowa
16 board shall consider the recommendations of the grow
17 Iowa investment board and shall make an independent
18 recommendation to the department and the Iowa economic
19 development board regarding the expenditure. The
20 recommendations of the grow Iowa board shall include
21 the recommendations made by the grow Iowa investment
22 board.

23 4. The members of the board are entitled to
24 receive reimbursement for actual expenses incurred
25 while engaged in the performance of official duties.
26 a board member may also be eligible to receive
27 compensation as provided in section 7E.6.

28 Sec. 81. NEW SECTION. 15G.104a GROW IOWA REVIEW
29 COMMISSION.

30 1. A grow Iowa review commission is established
31 consisting of three members and is located for
32 administrative purposes within the department. The
33 director of the department shall provide office space,
34 staff assistance, and necessary supplies and equipment
35 for the review commission. The director shall budget
36 moneys to pay the compensation and expenses of the
37 commission, including the actual expenses of the
38 auditor of state incurred while engaged in the
39 performance of official commission duties. In
40 performing its functions, the review commission is
41 performing a public function on behalf of the state
42 and is a public instrumentality of the state.

43 2. Membership of the review commission shall
44 include the auditor of state, an economist for the
45 Iowa state university cooperative extension service in
46 agriculture and home economics appointed by the
47 president of the senate after consultation with the
48 minority leader of the senate, and a private sector
49 economist with broad experience reviewing and
50 analyzing the Iowa economy and the economy of the

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1 upper midwest appointed by the speaker of the house of
2 representatives after consultation with the minority
3 leader of the house of representatives. The
4 appointments shall comply with sections 69.16 and
5 69.16A. The chairperson of the review commission
6 shall be the auditor of state. The members shall be
7 appointed to three-year staggered terms and the terms
8 shall commence and end as provided by section 69.19.
9 If a vacancy occurs, a successor shall be appointed in
10 the same manner and subject to the same qualifications
11 as the original appointment to serve the unexpired
12 term. A majority of the review commission constitutes
13 a quorum. For purposes of this subsection, "upper
14 midwest" includes the states of Iowa, Kansas,
15 Minnesota, Missouri, Nebraska, North Dakota, and South
16 Dakota.

17 3. The review commission shall analyze all annual
18 reports of the grow Iowa board for purposes of
19 determining if the goals and performance measures set
20 out in section 15G.106 have been met. By January 1,
21 2007, the review commission shall submit a report to
22 the grow Iowa board, the department, and the general
23 assembly. The report shall include findings, itemized
24 by grow Iowa geographic regions, regarding whether the
25 goals and performance measures were met. The report
26 shall also include recommendations regarding the
27 continuation, elimination, or modification of any
28 programs receiving moneys from the grow Iowa fund and
29 whether moneys should continue to be appropriated to
30 and from the grow Iowa fund. The recommendations
31 shall be based on whether the goals in accordance with
32 the performance measures are being achieved.

33 4. The members of the commission, including the
34 auditor of state, are entitled to receive
35 reimbursement for actual expenses incurred while
36 engaged in the performance of official duties. A
37 commission member may also be eligible to receive
38 compensation as provided in section 7E.6.

39 Sec. 82. NEW SECTION. 15G.105 GROW IOWA
40 GEOGRAPHIC REGIONS.

41 For purposes of applying the goals and performance
42 measurements, the state shall be divided into five
43 grow Iowa geographic regions. The regions shall be
44 the following:

45 1. The northwest region shall include the counties
46 of Lyon, Osceola, Dickinson, Emmet, Kossuth,
47 Winnebago, Sioux, O'Brien, Clay, Palo Alto, Hancock,
48 Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt,
49 Wright, Woodbury, Ida, Sac, Calhoun, Webster, and
50 Hamilton.

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1 2. The northeast region shall include the counties
2 of Worth, Mitchell, Howard, Winneshiek, Allamakee,
3 Cerro Gordo, Floyd, Chickasaw, Fayette, Clayton,
4 Franklin, Butler, Bremer, Hardin, Grundy, Black Hawk,
5 Buchanan, Delaware, Dubuque, Tama, Benton, Linn,
6 Jones, and Jackson.

7 3. The southeast region shall include the counties
8 of Poweshiek, Iowa, Johnson, Cedar, Clinton, Scott,
9 Muscatine, Mahaska, Keokuk, Washington, Louisa,
10 Monroe, Wapello, Jefferson, Henry, Des Moines,
11 Appanoose, Davis, Van Buren, and Lee.

12 4. The southwest region shall include the counties
13 of Monona, Crawford, Carroll, Greene, Harrison,
14 Shelby, Audubon, Guthrie, Pottawattamie, Cass, Adair,
15 Mills, Montgomery, Adams, Union, Clarke, Lucas,
16 Fremont, Page, Taylor, Ringgold, Decatur, and Wayne.

17 5. The central region shall include the counties
18 of Boone, Story, Marshall, Dallas, Polk, Jasper,
19 Madison, Warren, and Marion.

20 Sec. 83. NEW SECTION. 15G.106 GOALS –
21 PERFORMANCE MEASURES.

22 1. In performing the duties provided in this
23 chapter, chapter 15, and chapter 15E, the grow Iowa
24 board, the grow Iowa investment board, the economic
25 development marketing board, the grow Iowa review
26 commission, and the department shall achieve the goals
27 of expanding and stimulating the state economy,
28 increasing the wealth of Iowans, and increasing the
29 population of the state. For purposes of this
30 section, "upper midwest region" includes the states of
31 Iowa, Kansas, Minnesota, Missouri, Nebraska, North
32 Dakota, and South Dakota.

33 2. Goal achievement shall be examined on a
34 regional basis using the grow Iowa geographic regions
35 and not on a statewide basis. The performance of the
36 grow Iowa geographic regions shall be compared to the
37 performance of the state, the upper midwest region,
38 and the United States. The baseline year shall be the
39 calendar year 2000. In each grow Iowa geographic
40 region, the goal shall be to increase the baseline
41 performance measures listed in subsections 3, 4, and
42 5, by thirty percent.

43 3. a. In determining whether the goal of
44 expanding and stimulating the state economy has been
45 met, the following performance measures shall be
46 considered:

- 47 (1) An increase in Iowa's gross domestic product.
- 48 (2) a net increase in business start-ups.
- 49 (3) a net increase in business expansion.
- 50 (4) a net increase in business modernization.

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1 (5) a net increase in attracting new businesses to
2 the state.

3 (6) a net increase in business retention.

4 (7) a net increase in job creation and retention.

5 (8) a decrease in Iowa of the ratio of the
6 government wage earnings as a percentage share of the
7 earnings of private industry in Iowa at a rate at
8 least equal to the ratio of the upper midwest region.

9 b. By December 15 of each year, the department
10 shall submit a report to the grow Iowa review
11 commission and the grow Iowa board that identifies
12 information pertinent to the performance measures in
13 paragraph "a", subparagraphs (3), (4), and (6), that
14 the department gains through interviews with
15 businesses in the state that close all or a portion of
16 operations in the state. By December 15 of each year,
17 based on the same interviews, the department shall
18 submit a report to the general assembly providing
19 suggested amendments to the Code of Iowa and the Iowa
20 administrative code designed to stimulate and expand
21 the state's economy.

22 c. By December 15 of each year the department
23 shall submit a report to the grow Iowa review
24 commission and the grow Iowa board that identifies
25 lost sale reports information pertinent to the
26 performance measures in paragraph "a", subparagraphs
27 (2) and (5), which indicate that the state has not
28 been successful in the performance measures in
29 paragraph "a", subparagraphs (2) and (5).

30 d. For purposes of the performance measure in
31 paragraph "a", subparagraph (7), the department of
32 economic development, in consultation with the
33 department of workforce development and the auditor of
34 state, shall determine an average annual job creation
35 and retention rate based on the ten years prior to
36 2003. During the fiscal years beginning July 1, 2003,
37 July 1, 2004, and July 1, 2005, the department of
38 economic development shall report the job creation and
39 retention rate of those businesses that receive moneys
40 originating from the grow Iowa fund and the job
41 creation and retention rate of those businesses that
42 do not receive moneys originating from the grow Iowa
43 fund. The ten-year average annual job creation and
44 retention rate shall be compared to the job creation
45 and retention rates determined under this paragraph
46 for the fiscal years beginning July 1, 2003, July 1,
47 2004, and July 1, 2005. The department of economic
48 development shall assist the department of workforce
49 development in maintaining detailed employment
50 statistics on businesses that receive moneys

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1 originating from the grow Iowa fund, on businesses
2 that do not receive moneys originating from the grow
3 Iowa fund, and on industries in Iowa that those
4 businesses represent. The auditor of state shall
5 audit the reliability and validity of the statistics
6 compiled pursuant to this paragraph.

7 4. In determining whether the goal of increasing
8 the wealth of Iowans has been met, the following
9 performance measures shall be considered:

10 a. The per capita personal income in Iowa shall
11 equal or exceed the average per capita personal income
12 for the upper midwest region.

13 b. The average earnings per job in Iowa shall
14 equal or exceed the average earnings per job in the
15 upper midwest region.

16 c. The average manufacturing earnings per employee
17 in Iowa shall equal or exceed the average
18 manufacturing earnings per employee in the upper
19 midwest region.

20 d. The average service earnings per employee in
21 Iowa shall equal or exceed the average service
22 earnings per employee in the upper midwest region.

23 e. The average earnings per employee in the
24 financial, insurance, and real estate industries in
25 Iowa shall equal or exceed the average earnings per
26 employee in the financial, insurance, and real estate
27 industries in the upper midwest region.

28 5. In determining whether the goal of increasing
29 the population of the state has been met, the
30 following performance measures shall be considered:

31 a. The net increase in new residents in the state
32 gained through attracting new businesses to the state.

33 b. The increase in the retention of high school
34 graduates and college graduates from private and
35 public colleges and universities in the state after
36 graduation.

37 c. The ability to retain fifty percent of all
38 undergraduate graduates of universities under the
39 control of the state board of regents in the state
40 after graduation.

41 d. The net population growth of Iowa equals or
42 exceeds the population growth in the upper midwest
43 region.

44 Sec. 84. NEW SECTION. 15G.107 GROW IOWA FUND.

45 a grow Iowa fund is created in the state treasury
46 under the control of the grow Iowa board consisting of
47 moneys appropriated to the grow Iowa board. Moneys in
48 the fund are not subject to section 8.33.

49 Notwithstanding section 12C.7, interest or earnings on
50 moneys in the fund shall be credited to the fund. The

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1 fund shall be administered by the grow Iowa board,
2 which shall make expenditures from the fund consistent
3 with this chapter and pertinent Acts of the general
4 assembly.

5 Sec. 85. NEW SECTION. 15G.108 ECONOMIC
6 DEVELOPMENT MARKETING BOARD – MARKETING STRATEGIES.

7 1. a. An economic development marketing board is
8 established consisting of seven members and is located
9 for administrative purposes within the department.
10 The director of the department shall provide office
11 space, staff assistance, and necessary supplies and
12 equipment for the board. The director shall budget
13 moneys to pay the compensation and expenses of the
14 board. In performing its functions, the board is
15 performing a public function on behalf of the state
16 and is a public instrumentality of the state.

17 b. The membership of the board shall be as
18 follows:

19 (1) Three members with significant demonstrated
20 experience in marketing or advertising appointed by
21 the governor.

22 (2) Four members with significant demonstrated
23 experience in marketing or advertising appointed by
24 the legislative council.

25 c. The appointments made by the governor shall
26 comply with sections 69.16 and 69.16a and shall be
27 subject to confirmation by the senate.

28 d. The chairperson and vice chairperson of the
29 board shall be elected by and from the board members
30 listed in paragraph "b". In case of the absence or
31 disability of the chairperson and vice chairperson,
32 the members of the board shall elect a temporary
33 chairperson by a majority vote of those members who
34 are present and voting.

35 e. The members shall be appointed to three-year
36 staggered terms and the terms shall commence and end
37 as provided by section 69.19. If a vacancy occurs, a
38 successor shall be appointed to serve the unexpired
39 term. A successor shall be appointed in the same
40 manner and subject to the same qualifications as the
41 original appointment to serve the unexpired term.

42 f. A majority of the board constitutes a quorum.

43 2. The board shall administer and implement the
44 approval process for marketing strategies provided in
45 subsection 3.

46 3. The economic development marketing board shall
47 accept proposals for marketing strategies for purposes
48 of selecting a strategy for the department to
49 administer. The marketing strategies shall be
50 designed to market Iowa as a lifestyle, increase the

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1 population of the state, increase the wealth of
2 Iowans, and expand and stimulate the state economy.
3 The economic development marketing board shall submit
4 a recommendation regarding the proposal to the grow
5 Iowa board. In selecting a marketing strategy for
6 recommendation, the economic development marketing
7 board shall base the selection on the goals and
8 performance measures provided in section 15G.106. The
9 grow Iowa board shall either approve or deny the
10 recommendation.

11 4. The department shall implement and administer
12 the marketing strategy approved by the grow Iowa board
13 as provided in subsection 3. The department shall
14 provide the economic development marketing board with
15 assistance in implementing administrative functions of
16 the board and provide technical assistance to the
17 board.

18 5. The members of the board are entitled to
19 receive reimbursement for actual expenses incurred
20 while engaged in the performance of official duties.
21 a board member may also be eligible to receive
22 compensation as provided in section 7E.6.

23 Sec. 86. NEW SECTION. 15G.109 FUTURE
24 CONSIDERATION.

25 Not later than February 1, 2007, the legislative
26 services agency shall prepare and deliver to the
27 secretary of the senate and the chief clerk of the
28 house of representatives identical bills that repeal
29 the provisions of this chapter. It is the intent of
30 this section that the general assembly shall bring the
31 bill to a vote in either the senate or the house of
32 representatives expeditiously. It is further the
33 intent of this chapter that if the bill is approved by
34 the first house in which it is considered, it shall
35 expeditiously be brought to a vote in the second
36 house.

37 DIVISION VII

38 VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES 39 FINANCIAL ASSISTANCE PROGRAM

40 Sec. 87. Section 15E.111, subsection 1, Code 2003,
41 is amended to read as follows:

42 1. a. The department shall establish a value-
43 added agricultural products and processes financial
44 assistance program. The department shall consult with
45 ~~the Iowa corn growers association and the Iowa soybean~~
46 ~~association~~ Iowa commodity groups. The purpose of the
47 program is to encourage the increased utilization of
48 agricultural commodities produced in this state. The
49 program shall assist in efforts to revitalize rural
50 regions of this state, by committing resources to

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- 1 provide financial assistance to new or existing value-
2 added production facilities. The department of
3 economic development may consult with other state
4 agencies regarding any possible future environmental,
5 health, or safety issues linked to technology related
6 to the biotechnology industry. In awarding financial
7 assistance, the department shall prefer producer-
8 owned, value-added businesses and public and private
9 joint ventures involving an institution of higher
10 learning under the control of the state board of
11 regents or a private college or university acquiring
12 assets, research facilities, and leveraging moneys in
13 a manner that meets the goals of the grow Iowa fund
14 and shall commit resources to assist the following:
- 15 a. (1) Facilities which are involved in the
16 development of new innovative products and processes
17 related to agriculture. The facility must do either
18 of the following: produce a good derived from an
19 agricultural commodity, if the good is not commonly
20 produced from an agricultural commodity; or use a
21 process to produce a good derived from an agricultural
22 process, if the process is not commonly used to
23 produce the good.
- 24 b. (2) Renewable fuel production facilities. As
25 used in this section, "renewable fuel" means an energy
26 source which is derived from an organic compound
27 capable of powering machinery, including an engine or
28 power plant.
- 29 (3) Agricultural business facilities in the
30 agricultural biotechnology industry, agricultural
31 biomass industry, and alternative energy industry.
32 For purposes of this subsection:
- 33 (a) "Agricultural biomass industry" means
34 businesses that utilize agricultural commodity crops,
35 agricultural by-products, or animal feedstock in the
36 production of chemicals, protein products, or other
37 high-value products.
- 38 (b) "Agricultural biotechnology industry" means
39 businesses that utilize scientifically enhanced plants
40 or animals that can be raised by producers and used in
41 the production of high-value products.
- 42 (c) "Alternative energy industry" includes
43 businesses involved in the production of ethanol,
44 including gasoline with a mixture of seventy percent
45 or more ethanol, biodiesel, biomass, hydrogen, or in
46 the production of wind energy.
- 47 (4) Facilities that add value to Iowa agricultural
48 commodities through further processing and development
49 of organic products and emerging markets.
- 50 (5) Producer-owned, value-added businesses.

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1 education of producers and management boards in value-
2 added businesses, and other activities that would
3 support the infrastructure in the development of
4 value-added agriculture. Public and private joint
5 ventures involving an institution of higher learning
6 under the control of the state board of regents or a
7 private college or university to acquire assets,
8 research facilities, and leverage moneys in a manner
9 that meets the goals of the grow Iowa fund. For
10 purposes of this subsection, "producer-owned, valued-
11 added business" means a person who holds an equity
12 interest in the agricultural business and is
13 personally involved in the production of crops or
14 livestock on a regular, continuous, and substantial
15 basis.

16 b. Financial assistance awarded under this section
17 may be in the form of a loan, loan guarantee, grant,
18 production incentive payment, or a combination of
19 financial assistance. The department shall not award
20 more than twenty-five percent of the amount allocated
21 to the value-added agricultural products and processes
22 financial assistance fund during any fiscal year to
23 support a single person. The department may finance
24 any size of facility. However, the department shall
25 may reserve up to fifty percent of the total amount
26 allocated to the fund, for purposes of assisting
27 persons requiring ~~one~~ five hundred thousand dollars or
28 less in financial assistance. The amount shall be
29 reserved until the end of the third quarter of the
30 fiscal year. The department shall not provide
31 financial assistance to support a value-added
32 production facility if the facility or a person owning
33 a controlling interest in the facility has
34 demonstrated a continuous and flagrant disregard for
35 the health and safety of its employees or the quality
36 of the environment. Evidence of such disregard shall
37 include a history of serious or uncorrected violations
38 of state or federal law protecting occupational health
39 and safety or the environment, including but not
40 limited to serious or uncorrected violations of
41 occupational safety and health standards enforced by
42 the division of labor services of the department of
43 workforce development pursuant to chapter 84A, or
44 rules enforced by the department of natural resources
45 pursuant to chapter 455B or 459, subchapters II and
46 III.

DIVISION VIII

ENDOW IOWA GRANTS

49 Sec. 88. NEW SECTION. 15E.301 SHORT TITLE.

50 This division shall be known as and may be cited as

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1 the "Endow Iowa Program Act".

2 Sec. 89. NEW SECTION. 15E.302 PURPOSE.

3 The purpose of this division is to enhance the
4 quality of life for citizens of this state through
5 increased philanthropic activity by providing capital
6 to new and existing citizen groups of this state
7 organized to establish endowment funds that will
8 address community needs. The purpose of this division
9 is also to encourage individuals, businesses, and
10 organizations to invest in community foundations.

11 Sec. 90. NEW SECTION. 15E.303 DEFINITIONS.

12 As used in this division, unless the context
13 otherwise requires:

14 1. "Board" means the governing board of the lead
15 philanthropic entity identified by the department
16 pursuant to section 15E.304.

17 2. "Business" means a business operating within
18 the state and includes individuals operating a sole
19 proprietorship or having rental, royalty, or farm
20 income in this state and includes a consortium of
21 businesses.

22 3. "Community affiliate organization" means a
23 group of five or more community leaders or advocates
24 organized for the purpose of increasing philanthropic
25 activity in an identified community or geographic area
26 in this state with the intention of establishing a
27 community affiliate endowment fund.

28 4. "Endowment gift" means an irrevocable
29 contribution to a permanent endowment held by a
30 qualified community foundation.

31 5. "Lead philanthropic entity" means the entity
32 identified by the department pursuant to section
33 15E.304.

34 6. "Qualified community foundation" means a
35 community foundation organized or operating in this
36 state that meets or exceeds the national standards
37 established by the national council on foundations.

38 Sec. 91. NEW SECTION. 15E.304 ENDOW IOWA GRANTS.

39 1. The department shall identify a lead
40 philanthropic entity for purposes of encouraging the
41 development of qualified community foundations in this
42 state. A lead philanthropic entity shall meet all of
43 the following qualifications:

44 a. The entity shall be a nonprofit entity which is
45 exempt from federal income taxation pursuant to
46 section 501(c)(3) of the Internal Revenue Code.

47 b. The entity shall be a statewide organization
48 with membership consisting of organizations, such as
49 community, corporate, and private foundations, whose
50 principal function is the making of grants within the

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1 state of Iowa.

2 c. The entity shall have a minimum of forty
3 members and that membership shall include qualified
4 community foundations.

5 2. A lead philanthropic entity may receive a grant
6 from the department. The board shall use the grant
7 moneys to award endow Iowa grants to new and existing
8 qualified community foundations and to community
9 affiliate organizations that do all of the following:

10 a. Provide the board with all information required
11 by the board.

12 b. Demonstrate a dollar-for-dollar funding match
13 in a form approved by the board.

14 c. Identify a qualified community foundation to
15 hold all funds. A qualified community foundation
16 shall not be required to meet this requirement.

17 d. Provide a plan to the board demonstrating the
18 method for distributing grant moneys received from the
19 board to organizations within the community or
20 geographic area as defined by the qualified community
21 foundation or the community affiliate organization.

22 3. Endow Iowa grants awarded to new and existing
23 qualified community foundations and to community
24 affiliate organizations shall not exceed twenty-five
25 thousand dollars per foundation or organization unless
26 a foundation or organization demonstrates a multiple
27 county or regional approach. Endow Iowa grants may be
28 awarded on an annual basis with not more than three
29 grants going to one county in a fiscal year.

30 4. In ranking applications for grants, the board
31 shall consider a variety of factors including the
32 following:

33 a. The demonstrated need for financial assistance.

34 b. The potential for future philanthropic activity
35 in the area represented by or being considered for
36 assistance.

37 c. The proportion of the funding match being
38 provided.

39 d. For community affiliate organizations, the
40 demonstrated need for the creation of a community
41 affiliate endowment fund in the applicant's geographic
42 area.

43 e. The identification of community needs and the
44 manner in which additional funding will address those
45 needs.

46 f. The geographic diversity of awards.

47 5. Of any moneys received by a lead philanthropic
48 entity from the state, not more than five percent of
49 such moneys shall be used by the entity for
50 administrative purposes.

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1 Sec. 92. NEW SECTION. 15E.306 REPORTS – AUDITS.

2 By January 31 of each year, the lead philanthropic
3 entity, in cooperation with the department, shall
4 publish an annual report of the activities conducted
5 pursuant to this division during the previous calendar
6 year and shall submit the report to the governor and
7 the general assembly. The annual report shall include
8 a listing of endowment funds and the amount of tax
9 credits authorized by the department.

10 Sec. 93. EFFECTIVE AND RETROACTIVE APPLICABILITY
11 DATES. This division of this Act, being deemed of
12 immediate importance, takes effect upon enactment and
13 is retroactively applicable to January 1, 2003, for
14 tax years beginning on or after that date.

15 DIVISION IX

16 TECHNOLOGY TRANSFER ADVISORS

17 Sec. 94. NEW SECTION. 7.23 TECHNOLOGY TRANSFER
18 ADVISOR.

19 Two technology transfer advisors shall be appointed
20 by the governor, serve at the pleasure of the
21 governor, and be located at offices at the university
22 of Iowa and Iowa state university of science and
23 technology. A technology transfer advisor is not a
24 state agency and is not subject to chapter 17A. A
25 technology transfer advisor shall do all of the
26 following:

27 1. Facilitate the transfer of technology developed
28 at the university of Iowa, the university of northern
29 Iowa, Iowa state university of science and technology,
30 community colleges, and private colleges and
31 universities.

32 2. Coordinate the technology transfer activities
33 at each of the public and private universities to
34 encourage the implementation of best practices in
35 technology transfer, establish measures of
36 performance, and design programs of continuous quality
37 improvement for each technology transfer office.

38 3. Establish technology transfer goals for the
39 state.

40 4. Provide technical assistance to Iowa-based
41 entrepreneurs associated with or unrelated to the
42 universities under the control of the state board of
43 regents regarding technology transfer-related issues.
44 The technical assistance shall include assistance in
45 the areas of patents and licensing, business
46 development and management, finance, production,
47 sales, and marketing.

48 5. Receive the technology transfer-related report
49 submitted by the state board of regents pursuant to
50 section 262.9, subsection 31.

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1 6. To ensure economic growth, serve as a
2 coordinator between Iowa-based businesses and
3 businesses intending to locate in Iowa.

4 Sec. 95. Section 15.108, Code 2003, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 12. TECHNOLOGY TRANSFER ADVISORS.

7 The department shall cooperate with and provide
8 staffing support to the technology transfer advisors
9 appointed pursuant to section 7.23.

10 Sec. 96. Section 262.9, Code 2003, is amended by
11 adding the following new subsections:

12 NEW SUBSECTION. 29. Actively encourage and
13 promote the transfer of technology and research at
14 universities under the control of the board to
15 commercial application, including the start-up of
16 business entities.

17 NEW SUBSECTION. 30. Give preference and technical
18 support to those faculty members and staff members
19 desiring to obtain licenses for intellectual property
20 rights created in whole or in part by the faculty
21 member or staff member. However, such preference
22 shall not be construed to be a right accruing to that
23 faculty member or staff member.

24 NEW SUBSECTION. 31. By January 15 of each year,
25 submit a report to the governor, through the
26 technology transfer advisors, and the general assembly
27 containing information from the previous calendar year
28 regarding all of the following:

29 a. Patents secured or applied for by each
30 university under the control of the board delineated
31 by university and by faculty member and staff member
32 responsible for the research or activity that resulted
33 in the patent. In the initial report filed by January
34 15, 2004, the board shall include an inventory of
35 patent portfolios with details concerning which
36 patents are creating financial benefit and the amount
37 of financial benefit and which patents are not
38 creating financial benefit and the amount invested in
39 those patents.

40 b. Research grants secured by each university
41 under the control of the board from both public and
42 private sources delineated by university and by
43 faculty member and staff member. The board shall also
44 include the same information for grant applications
45 that are denied.

46 c. The number of faculty members and staff members
47 at each university under the control of the board
48 involved in a start-up company.

49 d. The number of grant applications for research
50 received by each university under the control of the

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1 board for start-up companies, the number of
2 applications approved, and the number of applications
3 denied.

4 e. The number of agreements entered into by
5 faculty members and staff members at each university
6 under the control of the board with foundations
7 affiliated with the universities relating to business
8 start-ups.

9 f. An accounting of the financial gain received by
10 each university under the control of the board
11 relating to patents sold, royalties received,
12 licensing fees, and any other remuneration received by
13 the university related to technology transfer.

14 g. The number of professional employees at each
15 university under the control of the board who assist
16 in the transfer of technology and research to
17 commercial application.

18 DIVISION X

19 IOWA ECONOMIC DEVELOPMENT

20 LOAN AND CREDIT GUARANTEE FUND

21 Sec. 97. NEW SECTION. 15E.221 SHORT TITLE.

22 This division shall be known and may be cited as
23 the "Iowa Economic Development Loan and Credit
24 Guarantee Fund Act".

25 Sec. 98. NEW SECTION. 15E.222 LEGISLATIVE
26 FINDING - PURPOSES.

27 1. The general assembly finds all of the
28 following:

29 a. That small and medium-sized businesses, in
30 general, and certain targeted industry businesses and
31 other qualified businesses, in particular, may not
32 qualify for conventional financing.

33 b. That the limited availability of credit for
34 export transactions limits the ability of small and
35 medium-sized businesses in this state to compete in
36 international markets.

37 c. That, to enhance competitiveness and foster
38 economic development, this state must focus on growth
39 in certain specific targeted industry businesses and
40 other qualified businesses, especially during a time
41 of war.

42 d. That the challenge for the public economic
43 sector is to create an atmosphere conducive to
44 economic growth, in conjunction with financial
45 institutions in the private sector, which fill the
46 gaps in credit availability and export finance, and
47 that allow the private sector to identify the lending
48 opportunities and foster decision making at the local
49 level.

50 2. The general assembly declares the purposes of

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1 this division to be all of the following:

2 a. To create incentives and assistance to increase
3 the flow of private capital to targeted industry
4 businesses and other qualified businesses.

5 b. To promote industrial modernization and
6 technology adoption.

7 c. To encourage the retention and creation of
8 jobs.

9 d. To encourage the export of goods and services
10 sold by Iowa businesses in national and international
11 markets.

12 Sec. 99. NEW SECTION. 15E.223 DEFINITIONS.

13 As used in this division, unless the context
14 otherwise requires:

15 1. "Financial institution" means an institution
16 listed in section 422.61, subsection 1, or such other
17 financial institution as defined by the department for
18 purposes of this division.

19 2. "Program" means the loan and credit guarantee
20 program established in this division.

21 3. "Qualified business" means an existing or
22 proposed business entity with an annual average number
23 of employees not exceeding two hundred employees.
24 "Qualified business" does not include businesses
25 engaged primarily in retail sales, real estate, or the
26 provision of health care or other professional
27 services. "Qualified business" includes professional
28 services businesses that provide services to targeted
29 industry businesses or other entities within and
30 outside of this state.

31 4. "Targeted industry business" means an existing
32 or proposed business entity, including an emerging
33 small business or qualified business which is operated
34 for profit and which has a primary business purpose of
35 doing business in at least one of the targeted
36 industries designated by the department which include
37 life sciences, software and information technology,
38 advanced manufacturing, value-added agriculture, and
39 any other industry designated as a targeted industry
40 by the loan and credit guarantee advisory board.

41 Sec. 100. NEW SECTION. 15E.224 LOAN AND CREDIT
42 GUARANTEE PROGRAM.

43 1. The department shall, with the advice of the
44 loan and credit guarantee advisory board, establish
45 and administer a loan and credit guarantee program.
46 The department, pursuant to agreements with financial
47 institutions, shall provide loan and credit
48 guarantees, or other forms of credit guarantees for
49 qualified businesses and targeted industry businesses
50 for eligible project costs. A loan or credit

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1 guarantee provided under the program may stand alone
2 or may be used in conjunction with or to enhance other
3 loans or credit guarantees, offered by private, state,
4 or federal entities. However, the department shall
5 not in any manner directly or indirectly pledge the
6 credit of the state. Eligible project costs include
7 expenditures for productive equipment and machinery,
8 working capital for operations and export
9 transactions, research and development, marketing, and
10 such other costs as the department may so designate.

11 2. A loan or credit guarantee or other form of
12 credit guarantee provided under the program to a
13 participating financial institution for a single
14 qualified business or targeted industry business shall
15 not exceed one million dollars in value. Loan or
16 credit guarantees or other forms of credit guarantees
17 provided under the program to more than one
18 participating financial institution for a single
19 qualified business or targeted industry business shall
20 not exceed ten million dollars in value.

21 3. In administering the program, the department
22 shall consult and cooperate with financial
23 institutions in this state and with the loan and
24 credit guarantee advisory board. Administrative
25 procedures and application procedures, as practicable,
26 shall be responsive to the needs of qualified
27 businesses, targeted industry businesses, and
28 financial institutions, and shall be consistent with
29 prudent investment and lending practices and criteria.

30 4. Each participating financial institution shall
31 identify and underwrite potential lending
32 opportunities with qualified businesses and targeted
33 industry businesses. Upon a determination by a
34 participating financial institution that a qualified
35 business or targeted industry business meets the
36 underwriting standards of the financial institution,
37 subject to the approval of a loan or credit guarantee,
38 the financial institution shall submit the
39 underwriting information and a loan or credit
40 guarantee application to the department.

41 5. The department, with the advice of the loan and
42 credit guarantee advisory board, shall adopt a loan or
43 credit guarantee application procedure for a financial
44 institution on behalf of a qualified business or
45 targeted industry business.

46 6. Upon approval of a loan or credit guarantee,
47 the department shall enter into a loan or credit
48 guarantee agreement with the participating financial
49 institution. The agreement shall specify all of the
50 following:

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- 1 a. The fee to be charged to the financial
- 2 institution.
- 3 b. The evidence of debt assurance of, and security
- 4 for, the loan or credit guarantee.
- 5 c. A loan or credit guarantee that does not exceed
- 6 fifteen years.
- 7 d. Any other terms and conditions considered
- 8 necessary or desirable by the department.
- 9 7. The department, with the advice of the loan and
- 10 credit guarantee advisory board, may adopt loan and
- 11 credit guarantee application procedures that allow a
- 12 qualified business or targeted industry business to
- 13 apply directly to the department for a preliminary
- 14 guarantee commitment. A preliminary guarantee
- 15 commitment may be issued by the department subject to
- 16 the qualified business or targeted industry business
- 17 securing a commitment for financing from a financial
- 18 institution. The application procedures shall specify
- 19 the process by which a financial institution may
- 20 obtain a final loan and credit guarantee.

21 Sec. 101. NEW SECTION. 15E.225 TERMS - FEES.

22 1. When entering into a loan or credit guarantee

23 agreement, the department, with the advice of the loan

24 and credit guarantee advisory board, shall establish

25 fees and other terms for participation in the program

26 by qualified businesses and targeted industry

27 businesses.

28 2. The department, with due regard for the

29 possibility of losses and administrative costs and

30 with the advice of the loan and credit guarantee

31 advisory board, shall set fees and other terms at

32 levels sufficient to assure that the program is self-

33 financing.

34 3. For a preliminary guarantee commitment, the

35 department may charge a qualified business or targeted

36 industry business a preliminary guarantee commitment

37 fee. The application fee shall be in addition to any

38 other fees charged by the department under this

39 section and shall not exceed one thousand dollars for

40 an application.

41 Sec. 102. NEW SECTION. 15E.226 LOAN AND CREDIT

42 GUARANTEE ADVISORY BOARD.

43 The department, in consultation with the

44 superintendent of banking, shall establish a loan and

45 credit guarantee advisory board. The advisory board

46 shall provide the department with technical advice

47 regarding the administration of the program, including

48 the adoption of administrative rules pursuant to

49 chapter 17A. The advisory board shall review and

50 provide recommendations regarding all applications

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1 under the program. Members of the advisory board are
2 entitled to receive reimbursement for actual expenses
3 incurred while engaged in the performance of official
4 duties. Advisory board members may also be eligible
5 to receive compensation as provided in section 7E.6.
6 The director of the department shall budget moneys to
7 pay the compensation and expenses of the advisory
8 board. The provisions of this section relating to the
9 adoption of administrative rules shall be construed
10 narrowly.

DIVISION XI

12 ECONOMIC DEVELOPMENT ASSISTANCE AND DATA COLLECTION

13 Sec. 103. NEW SECTION. 15E.118 BUSINESS START-UP

14 INFORMATION - INTERNET WEB SITE.

15 The department shall provide information through an
16 internet web site and a toll-free telephone service to
17 assist persons interested in establishing a commercial
18 facility or engaging in a commercial activity. The
19 information shall include all of the following:

- 20 1. Assistance, information, and guidance for
21 start-up businesses.
- 22 2. Information gathered by the department pursuant
23 to section 15E.17, subsection 2.
- 24 3. Personal and corporate income tax information.
- 25 4. Information regarding financial assistance and
26 incentives available to businesses.
- 27 5. Workforce availability in the state presented
28 in a regional format.

29 Sec. 104. NEW SECTION. 15E.119 ECONOMIC
30 DEVELOPMENT-RELATED DATA COLLECTION.

31 1. The department shall interview any business
32 that considered locating in Iowa but decided to locate
33 elsewhere. The department shall attempt to determine
34 factors that affected the location decision of the
35 business.

36 2. The department shall interview any business
37 that closes major operations in the state or dissolves
38 the business's corporate status in an effort to
39 identify factors that led to the closure or
40 dissolution.

41 3. By January 15 of each year, the department
42 shall submit a written report to the general assembly
43 that summarizes the information collected pursuant to
44 this section and provides suggested amendments to the
45 Code of Iowa and the Iowa administrative code designed
46 to stimulate and expand the state's economy.

47 Sec. 105. INTERNET WEB SITE DEVELOPMENT. In
48 developing the internet web site required in section
49 15E.118, the department of economic development shall
50 examine similar efforts in other states and

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1 incorporate the best practices.

2 DIVISION XII

3 CULTURAL AND ENTERTAINMENT DISTRICTS

4 Sec. 106. NEW SECTION. 303.3B CULTURAL AND
5 ENTERTAINMENT DISTRICTS.

6 1. The department of cultural affairs shall
7 establish and administer a cultural and entertainment
8 district certification program. The program shall
9 encourage the growth of communities through the
10 development of areas within a city or county for
11 public and private uses related to cultural and
12 entertainment purposes.

13 2. A city or county may create and designate a
14 cultural and entertainment district subject to
15 certification by the department of cultural affairs,
16 in consultation with the department of economic
17 development. A cultural and entertainment district
18 shall consist of a geographic area not exceeding one
19 square mile in size. A cultural and entertainment
20 district certification shall remain in effect for ten
21 years following the date of certification. Two or
22 more cities or counties may apply jointly for
23 certification of a district that extends across a
24 common boundary. Through the adoption of
25 administrative rules, the department of cultural
26 affairs shall develop a certification application for
27 use in the certification process. The provisions of
28 this subsection relating to the adoption of
29 administrative rules shall be construed narrowly.

30 3. The department of cultural affairs shall
31 encourage development projects and activities located
32 in certified cultural and entertainment districts
33 through incentives under cultural grant programs
34 pursuant to section 303.3, chapter 303A, and any other
35 grant programs.

36 DIVISION XIII

37 WORKFORCE ISSUES

38 Sec. 107. NEW SECTION. 15A.10 JOB RETENTION -
39 INCENTIVES.

40 1. In order to assure the retention of existing
41 jobs that would otherwise be lost, the director of the
42 department of economic development may authorize
43 incentives and assistance provided to a business under
44 this section for a period not to exceed ten years upon
45 finding the following:

46 a. The business currently employing, at one place
47 of business, at least one thousand employees is likely
48 to close or substantially reduce employment.

49 b. The business agrees to remain in the state for
50 at least ten years and invest at least fifteen million

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- 1 dollars to retool or upgrade facilities.
2 2. Incentives and assistance that may be
3 authorized by the director include any of the
4 following:
5 a. New jobs credit from withholding, as provided
6 in section 15.331.
7 b. Sales, services, and use tax refund, as
8 provided in section 15.331A.
9 c. Investment tax credit, as provided in section
10 15.333.
11 d. Research activities tax credit, as provided in
12 section 15.335.
13 3. A business shall enter into an agreement with
14 the department and the city or county specifying the
15 terms and conditions that must be met in exchange for
16 the incentives and assistance authorized in this
17 section. The agreement shall specify how the
18 incentives will be repaid in the event the business
19 fails to meet or maintain the terms and conditions of
20 the agreement.

21 DIVISION XIV

22 UNIVERSITY-BASED RESEARCH UTILIZATION PROGRAM 23 Sec. 108. NEW SECTION. 262B.11 UNIVERSITY-BASED 24 RESEARCH UTILIZATION PROGRAM.

- 25 1. The department of economic development shall
26 establish and administer a university-based research
27 utilization program for purposes of encouraging the
28 utilization of university-based research, primarily in
29 the area of high technology, in new or existing
30 businesses. The program shall include the three
31 universities under the control of the state board of
32 regents and all accredited private universities
33 located in the state.
34 2. A new or existing business that utilizes a
35 technology developed by an employee at a university
36 under the control of the state board of regents may
37 apply to the department of economic development for
38 approval to participate in the university-based
39 research utilization program. The department shall
40 approve an applicant if the applicant meets all of the
41 following criteria:
42 a. The applicant utilizes a technology developed
43 by an employee at a university under the control of
44 the state board of regents, provided that the
45 technology has received a patent after the effective
46 date of this Act. If the applicant has been in
47 existence more than one year prior to applying, the
48 applicant shall organize a separate company to utilize
49 the technology. For purposes of this section, the
50 separate company shall be considered the applicant

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1 and, if approved, the approved business.
2 b. The applicant develops a five-year business
3 plan approved by the department. The plan shall
4 include information concerning the applicant's Iowa
5 employment goals and projected impact on the Iowa
6 economy. The department shall only approve plans
7 showing sufficient potential impact on Iowa employment
8 and economic development.

9 c. The applicant meets a minimum-size business
10 standard determined by the department.

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. A business approved under the program and the
17 university employee responsible for the development of
18 the technology utilized by the approved business shall
19 be eligible for a tax credit. The credit shall be
20 allowed against the taxes imposed in chapter 422,
21 divisions II and III. An individual may claim a tax
22 credit under this section of a partnership, limited
23 liability company, S corporation, estate, or trust
24 electing to have income taxed directly to the
25 individual. The amount claimed by the individual
26 shall be based upon the pro rata share of the
27 individual's earnings from the partnership, limited
28 liability company, S corporation, estate, or trust. A
29 tax credit shall not be claimed under this subsection
30 unless a tax credit certificate issued by the
31 department of economic development is attached to the
32 taxpayer's tax return for the tax year for which the
33 tax credit is claimed. The amount of a tax credit
34 allowed under this subsection shall equal the amount
35 listed on a tax credit certificate issued by the
36 department of economic development pursuant to
37 subsection 4. A tax credit certificate shall not be
38 transferable. Any tax credit in excess of the
39 taxpayer's liability for the tax year may be credited
40 to the taxpayer's tax liability for the following five
41 years or until depleted, whichever occurs first. A
42 tax credit shall not be carried back to a tax year
43 prior to the tax year in which the taxpayer redeems
44 the tax credit.

45 4. For the five tax years following the tax year
46 in which a business is approved under the program, the
47 department of revenue and finance shall provide the
48 department of economic development with information
49 required by the department of economic development
50 from each tax return filed by the approved business.

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1 Upon receiving the tax return-related information, the
2 department of economic development shall do all of the
3 following:

4 a. Review the information provided by the
5 department of revenue and finance pursuant to this
6 subsection and the annual report submitted by the
7 applicant pursuant to subsection 2, paragraph "d". If
8 the department determines that the business activities
9 of the applicant are not providing the benefits to
10 Iowa employment and economic development projected in
11 the applicant's approved five-year business plan, the
12 department shall not issue tax credit certificates for
13 that year to the applicant or university employee and
14 shall determine any related university share to be
15 equal to zero for that year.

16 b. Effective for the fiscal year beginning July 1,
17 2004, and for subsequent fiscal years, issue a tax
18 credit certificate to the approved business and the
19 university employee responsible for the development of
20 the technology utilized by the approved business in an
21 amount determined pursuant to subsection 5. A tax
22 credit certificate shall contain the taxpayer's name,
23 address, tax identification number, the amount of the
24 tax credit, and other information required by the
25 department of revenue and finance.

26 c. (1) Determine the university share which is
27 equal to the value of thirty percent of the tax
28 liability of the approved business for purposes of
29 making an appropriation pursuant to section 262B.12,
30 if enacted by 2003 Iowa Acts, House File 683 or
31 another Act, to the university where the technology
32 utilized by the approved business was developed. A
33 university share shall not exceed two hundred twenty-
34 five thousand dollars per year per technology
35 utilized. For each technology utilized, the aggregate
36 university share over a five-year period shall not
37 exceed six hundred thousand dollars.

38 (2) The department shall maintain records for each
39 university during each fiscal year regarding the
40 university share each university is entitled to
41 receive through the appropriation in section 262B.12,
42 if enacted by 2003 Iowa Acts, House File 683 or
43 another Act. A university shall be entitled to
44 receive the total university share for that particular
45 university during the previous fiscal year.

46 d. For the fiscal year beginning July 1, 2004, not
47 more than two million dollars worth of certificates
48 shall be issued pursuant to paragraph "b". For the
49 fiscal year beginning July 1, 2005, and every fiscal
50 year thereafter, not more than ten million dollars

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1 worth of certificates shall be issued pursuant to
2 paragraph "b".

3 5. The tax credit certificates issued by the
4 department for each of the five years following the
5 tax year in which the business is approved under the
6 program shall be for the following amounts:

7 a. For the approved business, the value of the tax
8 credit certificate shall equal thirty percent of the
9 tax liability of the approved business. The value of
10 a certificate issued to an approved business shall not
11 exceed two hundred twenty-five thousand dollars. The
12 total aggregate value of certificates issued over a
13 five-year period to an approved business shall not
14 exceed six hundred thousand dollars.

15 b. For the university employee responsible for the
16 development of the technology utilized by the approved
17 business, the value of the tax credit certificate
18 shall equal ten percent of the tax liability of the
19 approved business. If more than one employee is
20 responsible for the development of the technology, the
21 value equal to ten percent of the tax liability of the
22 approved business shall be divided equally and
23 individual tax credit certificates shall be issued to
24 each employee responsible for the development of the
25 technology. Each year, the total value of a
26 certificate or certificates issued for a utilized
27 technology shall not exceed seventy-five thousand
28 dollars. For each technology utilized, the total
29 aggregate value of certificates issued over a five-
30 year period to the university employee responsible for
31 the development of the technology shall not exceed two
32 hundred thousand dollars.

33 6. The department of economic development shall
34 notify the department of revenue and finance when a
35 tax credit certificate is issued pursuant to
36 subsection 4. The notification shall include the name
37 and tax identification number appearing on any tax
38 credit certificate.

39 Sec. 109. NEW SECTION. 422.11H UNIVERSITY-BASED
40 RESEARCH UTILIZATION PROGRAM TAX CREDIT.

41 The taxes imposed under this division, less the
42 credits allowed under sections 422.12 and 422.12B,
43 shall be reduced by a university-based research
44 utilization program tax credit authorized pursuant to
45 section 262B.11.

46 Sec. 110. Section 422.33, Code 2003, is amended by
47 adding the following new subsection:

48 NEW SUBSECTION. 14. The taxes imposed under this
49 division shall be reduced by a university-based
50 research utilization program tax credit authorized

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1 pursuant to section 262B.11.

2 DIVISION XV

3 FUTURE REPEAL

4 Sec. 111. The divisions of this Act designated the
5 grow Iowa board and fund, the value-added agricultural
6 products and processes financial assistance program,
7 the endow Iowa grants, the technology transfer
8 advisors, the Iowa economic development loan and
9 credit guarantee fund, the economic development
10 assistance and data collection, the cultural and
11 entertainment districts, the workforce issues, and the
12 university-based research utilization program, are
13 repealed effective June 30, 2010.

14 DIVISION XVI

15 LIABILITY REFORM

16 Sec. 112. Section 668.12, Code 2003, is amended to
17 read as follows:

18 668.12 LIABILITY FOR PRODUCTS – STATE OF THE ART
19 DEFENSE DEFENSES.

20 1. In any action brought pursuant to this chapter
21 against an assembler, designer, supplier of
22 specifications, distributor, manufacturer, or seller
23 for damages arising from an alleged defect in the
24 design, testing, manufacturing, formulation,
25 packaging, warning, or labeling of a product, a
26 percentage of fault shall not be assigned to such
27 persons if they plead and prove that the product
28 conformed to the state of the art in existence at the
29 time the product was designed, tested, manufactured,
30 formulated, packaged, provided with a warning, or
31 labeled.

32 2. Nothing contained in ~~this section~~ subsection 1
33 shall diminish the duty of an assembler, designer,
34 supplier of specifications, distributor, manufacturer
35 or seller to warn concerning subsequently acquired
36 knowledge of a defect or dangerous condition that
37 would render the product unreasonably dangerous for
38 its foreseeable use or diminish the liability for
39 failure to so warn.

40 3. An assembler, designer, supplier of
41 specifications, distributor, manufacturer, or seller
42 shall not be subject to liability under a theory of
43 civil conspiracy unless the person knowingly and
44 voluntarily entered into an agreement, express or
45 implied, to participate in a common plan with the
46 intent to commit a tortious act upon another. Mere
47 membership in a trade or industrial association or
48 group is not, in and of itself, evidence of such an
49 agreement.

50 Sec. 113. Section 668A.1, subsection 1, Code 2003,

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1 is amended to read as follows:

2 1. In a trial of a claim involving the request for
3 punitive or exemplary damages, the court shall
4 instruct the jury to answer special interrogatories
5 or, if there is no jury, shall make findings,
6 indicating all of the following:

7 a. ~~Whether, by a preponderance of clear,~~
8 ~~convincing, and satisfactory evidence, the conduct of~~
9 ~~the defendant from which the claim arose constituted~~
10 ~~willful and wanton disregard for the rights or safety~~
11 ~~of another.~~

12 b. Whether the conduct of the defendant was
13 directed specifically at the claimant, or at the
14 person from which the claimant's claim is derived.

15 ~~b. Whether, by a preponderance of clear and~~
16 ~~convincing evidence, the conduct of the defendant from~~
17 ~~which the claim arose constituted actual malice.~~

18 Sec. 114. NEW SECTION. 668A.2 DEFINITIONS.

19 As used in this chapter, the following terms shall
20 have the following meanings:

21 1. "Clear and convincing evidence" means evidence
22 which leaves no serious or substantial doubt about the
23 correctness of the conclusions drawn from the
24 evidence. It is more than a preponderance of
25 evidence, but less than beyond a reasonable doubt.

26 2. "Malice" means either conduct which is
27 specifically intended by the defendant to cause
28 tangible or intangible serious injury to the plaintiff
29 or conduct that is carried out by the defendant both
30 with a flagrant indifference to the rights of the
31 plaintiff and with a subjective awareness that such
32 conduct will result in tangible serious injury.

33 Sec. 115. NEW SECTION. 668A.3 AWARD OF PUNITIVE
34 OR EXEMPLARY DAMAGES – PROOF – STANDARD.

35 Punitive or exemplary damages shall only be awarded
36 where the plaintiff proves by clear and convincing
37 evidence that the plaintiff's harm was the result of
38 actual malice. This burden of proof shall not be
39 satisfied by proof of any degree of negligence,
40 including gross negligence.

41 Sec. 116. APPLICABILITY. This division of this
42 Act, relating to liability reform, applies to cases
43 filed on or after July 1, 2003.

44 DIVISION XVII

45 WORKERS' COMPENSATION

46 Sec. 117. Section 85.34, subsection 2, unnumbered
47 paragraph 1, Code 2003, is amended to read as follows:

48 Compensation for permanent partial disability shall
49 begin at the termination of the healing period
50 provided in subsection 1. The compensation shall be

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1 in addition to the benefits provided by sections 85.27
2 and 85.28. The compensation shall be based only upon
3 the extent of the disability related to the injury
4 received and upon the basis of eighty percent per week
5 of the employee's average spendable weekly earnings,
6 but not more than a weekly benefit amount, rounded to
7 the nearest dollar, equal to one hundred eighty-four
8 percent of the statewide average weekly wage paid
9 employees as determined by the department of workforce
10 development under section 96.19, subsection 36, and in
11 effect at the time of the injury. The minimum weekly
12 benefit amount shall be equal to the weekly benefit
13 amount of a person whose gross weekly earnings are
14 thirty-five percent of the statewide average weekly
15 wage. For all cases of permanent partial disability
16 compensation shall be paid as follows:

17 Sec. 118. Section 85.34, subsection 2, paragraph
18 u, Code 2003, is amended by adding the following new
19 unnumbered paragraph after unnumbered paragraph 2 as
20 follows:

21 NEW UNNUMBERED PARAGRAPH. When an employee makes a
22 claim for benefits under this subsection, the employer
23 is not liable for that portion of the employee's
24 present disability caused by a prior work-related
25 injury or illness that was sustained by the employee
26 while the employee was employed by a different
27 employer. When an employee's present disability
28 includes disability caused by a prior work-related
29 injury or illness that was sustained by the employee
30 while in the employ of the same employer, the employer
31 is liable for compensating all of the employee's work-
32 related disability sustained by the employee while in
33 the employ of the employer, except that any portion of
34 the disability that was previously compensated by the
35 employer shall be deducted from the employer's
36 obligation to pay benefits for the employee's present
37 disability. If an employee's present disability is
38 reduced by a portion of disability sustained from
39 prior work-related injuries or illnesses for which the
40 employee has already been compensated by the same
41 employer, then the employee shall receive compensation
42 for the remaining disability caused by the present
43 work-related injury or illness plus an additional ten
44 percent of the amount of the increase in disability.

45 Sec. 119. APPLICABILITY. This division of this
46 Act, relating to workers' compensation, applies to an
47 injury occurring on or after July 1, 2003.

48 DIVISION XVIII
49 FINANCIAL SERVICES

50 Sec. 120. Section 537.2502, subsections 3 and 6,

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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. 121. Section 537.2601, subsection 1, Code
22 2003, 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 XIX

34 UNEMPLOYMENT COMPENSATION SURCHARGE

35 Sec. 122. Section 96.7, subsection 12, paragraph
36 a, 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. 123. Section 96.7, subsection 12, paragraph
33 d, 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. 124. 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 XX

42 ECONOMIC DEVELOPMENT

43 Sec. 125. 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. 126. 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. The department of economic development shall,
48 in consultation with the coordinators described in
49 this section, examine, and to the extent permissible,
50 assist in the implementation of methods, including the

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1 possible establishment of an electronic database, to
2 streamline the process for issuing permits to
3 business.

4 3. By January 15 of each year, the department of
5 economic development shall submit a written report to
6 the general assembly regarding the provision of
7 regulatory assistance by state agencies, including the
8 department's efforts, and its recommendations and
9 proposed solutions, to streamline the process of
10 issuing permits to business.

11 Sec. 127. NEW SECTION. 15E.20 PERMIT APPROVAL
12 REQUIREMENTS.

13 A state agency which requires a permit, license, or
14 other regulatory approval shall issue or deny the
15 permit, license, or other regulatory approval within
16 ninety days of the receipt by the state agency of an
17 application. Unless such a state agency communicates
18 any concerns to or requests additional information
19 from an applicant within ten days of the receipt of
20 the application, the application shall be considered
21 complete. A permit, license, or other regulatory
22 approval not issued or denied within the ninety days
23 shall be deemed to be issued and valid.

24 DIVISION XXI

25 UTILITY SALES TAX EXEMPTION

26 Sec. 128. Section 422.45, subsection 61, paragraph
27 b, subparagraphs (2), (3), (4), and (5), Code 2003,
28 are amended to read as follows:

29 (2) If the date of the utility billing or meter
30 reading cycle of the residential customer for the
31 sale, furnishing, or service of metered gas and
32 electricity is on or after January 1, 2003, through
33 ~~December 31, 2003~~ June 30, 2008, or if the sale,
34 furnishing, or service of fuel for purposes of
35 residential energy and the delivery of the fuel occurs
36 on or after January 1, 2003, through ~~December 31, 2003~~
37 June 30, 2008, the rate of tax is three percent of the
38 gross receipts.

39 (3) If the date of the utility billing or meter
40 reading cycle of the residential customer for the
41 sale, furnishing, or service of metered gas and
42 electricity is on or after ~~January 1, 2004~~ July 1,
43 2008, through ~~December 31, 2004~~ June 30, 2009, or if
44 the sale, furnishing, or service of fuel for purposes
45 of residential energy and the delivery of the fuel
46 occurs on or after ~~January 1, 2004~~ July 1, 2008,
47 through ~~December 31, 2004~~ June 30, 2009, the rate of
48 tax is two percent of the gross receipts.

49 (4) If the date of the utility billing or meter
50 reading cycle of the residential customer for the

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1 sale, furnishing, or service of metered gas and
 2 electricity is on or after ~~January 1, 2005~~ July 1,
 3 2009, through ~~December 31, 2005~~ June 30, 2010, or if
 4 the sale, furnishing, or service of fuel for purposes
 5 of residential energy and the delivery of the fuel
 6 occurs on or after ~~January 1, 2005~~ July 1, 2009,
 7 through ~~December 31, 2005~~ June 30, 2010, the rate of
 8 tax is one percent of the gross receipts.

9 (5) If the date of the utility billing or meter
 10 reading cycle of the residential customer for the
 11 sale, furnishing, or service of metered gas and
 12 electricity is on or after ~~January 1, 2006~~ July 1,
 13 2010, or if the sale, furnishing, or service of fuel
 14 for purposes of residential energy and the delivery of
 15 the fuel occurs on or after ~~January 1, 2006~~ July 1,
 16 2010, the rate of tax is zero percent of the gross
 17 receipts.

18 DIVISION XXII

19 STATE ASSISTANCE FOR EDUCATIONAL INFRASTRUCTURE

20 Sec. 129. NEW SECTION. 292A.1 DEFINITIONS.

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

23 1. "Capacity per pupil" means the sum of a school
 24 district's property tax infrastructure capacity per
 25 pupil and the sales tax capacity per pupil.

26 2. "Committee" means the school budget review
 27 committee established in section 257.30.

28 3. "Department" means the department of education
 29 established in section 256.1.

30 4. "Fund" means the state assistance for
 31 educational infrastructure fund created in section
 32 292A.3.

33 5. "Local match percentage" means a percentage
 34 equivalent to either of the following, whichever is
 35 less:

36 a. Fifty percent.

37 b. The quotient of a school district's capacity
 38 per pupil divided by the capacity per pupil of the
 39 school district at the fortieth percentile, multiplied
 40 by fifty percent, except that the percentage in this
 41 paragraph shall not be less than twenty percent.

42 6. "Program" means the state assistance for
 43 educational infrastructure program established in
 44 section 292A.2.

45 7. "Property tax infrastructure capacity per
 46 pupil" means the sum of a school district's levies
 47 under sections 298.2 and 298.18 when the levies are
 48 imposed to the maximum extent allowable under law in
 49 the budget year divided by the school district's basic
 50 enrollment for the budget year.

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1 8. "Sales tax capacity per pupil" means the
2 estimated amount of revenues that a school district
3 receives or would receive if a local sales and
4 services tax for school infrastructure is imposed at
5 one percent pursuant to section 422E.2, divided by the
6 school district's basic enrollment for the budget
7 year.

8 9. "School infrastructure" means activities
9 initiated on or after July 1, 2003, for which a school
10 district is authorized to contract indebtedness and
11 issue general obligation bonds under section 296.1,
12 except those activities related to a teacher's or
13 superintendent's home or homes, to stadiums, to the
14 improving of a site for an athletic field, or to the
15 improving of a site already owned for an athletic
16 field. These activities include the construction,
17 reconstruction, repair, demolition work, purchasing,
18 or remodeling of schoolhouses and bus garages and the
19 procurement of schoolhouse construction sites and the
20 making of site improvements and those activities for
21 which revenues under section 298.3 or 300.2 may be
22 spent.

23 Sec. 130. NEW SECTION. 292A.2 STATE ASSISTANCE
24 FOR EDUCATIONAL INFRASTRUCTURE PROGRAM.

25 1. a. The department shall establish and
26 administer a state assistance for educational
27 infrastructure program to provide financial assistance
28 in the form of grants to school districts with school
29 infrastructure needs.

30 b. The department of education, in consultation
31 with the department of management, shall annually
32 compute the property tax infrastructure capacity per
33 pupil for each school district in the state.

34 c. The department of education, in consultation
35 with the department of revenue and the legislative
36 services agency, shall annually calculate the
37 estimated sales and services tax for school
38 infrastructure, if imposed at one percent, that is or
39 would be received by each school district in the state
40 pursuant to section 422E.3. These calculations shall
41 be made on a total tax and on a tax per pupil basis
42 for each school district.

43 d. The department of education, in consultation
44 with the department of revenue and the department of
45 management, shall annually compute capacity per pupil
46 and the local match percentage for each school
47 district in the state. The calculations shall be
48 released not later than September 1 of each year.

49 2. a. A school district's local match requirement
50 is equivalent to the total investment of a project

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1 multiplied by the school district's local match
2 percentage. A school district may submit an
3 application to the department for financial assistance
4 under the program if the school district meets the
5 district's local match requirement through one or more
6 of the following sources:

7 (1) The issuance of bonds pursuant to section
8 298.18.

9 (2) Local sales and services tax moneys received
10 pursuant to section 422E.3.

11 (3) a physical plant and equipment levy under
12 chapter 298.

13 (4) Other moneys locally obtained by the school
14 district excluding other state or federal grant
15 moneys.

16 b. If the project is in collaboration with other
17 public or private entities, the school district shall
18 be eligible to apply for only the school district's
19 portion of the project. As such, state or federal
20 grants received by the other entities cannot be used
21 toward the local match requirement under paragraph
22 "a", subparagraph (4).

23 c. A school district may submit an application for
24 a project which includes activities at more than one
25 attendance center. However, if the activities relate
26 to new construction, the project shall only relate to
27 one attendance center.

28 d. A school district may submit an application for
29 conditional approval to the department for financial
30 assistance under the program if the school district
31 submits a plan for securing the school district's
32 local match requirement under paragraph "a". If a
33 school district does not meet the local match
34 requirement of paragraph "a" within nine months of
35 receiving conditional approval from the department,
36 the application for financial assistance shall be
37 denied by the department and the financial assistance
38 shall be carried forward to be made available under
39 the allocation provided under subsection 5, paragraph
40 "d", for the next available grant cycle.

41 e. For the fiscal year beginning July 1, 2003, and
42 every fiscal year thereafter, applications shall be
43 submitted to the department by October 15 of each
44 year.

45 f. For the fiscal year beginning July 1, 2003, and
46 every fiscal year thereafter, the department shall
47 notify all approved applicants by December 15 of each
48 year regarding the approval of the application.

49 g. An applicant which is not successful in
50 obtaining financial assistance under the program may

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- 1 reapply for financial assistance in succeeding years.
- 2 3. The application shall include, but shall not be
- 3 limited to, the following information:
- 4 a. The total capital investment of the project.
- 5 b. The amount and percentage of moneys which the
- 6 school district will be providing for the project.
- 7 c. The infrastructure needs of the school
- 8 district, especially the fire and health safety needs
- 9 of the school district, and including the extent to
- 10 which the project would allow the school district to
- 11 meet the infrastructure needs of the school district
- 12 on a long-term basis.
- 13 d. The financial assistance needed by the school
- 14 district based upon the capacity per pupil.
- 15 e. Any previous efforts by the school district to
- 16 secure infrastructure funding from federal, state, or
- 17 local resources, including any funding received for
- 18 any project under the school infrastructure program
- 19 provided in chapter 292. The previous efforts shall
- 20 be evaluated on a case-by-case basis.
- 21 f. Evidence that the school district meets or will
- 22 meet the local match requirement in subsection 2,
- 23 paragraph "a".
- 24 g. The nature of the proposed project and its
- 25 relationship to improving educational opportunities
- 26 for the students.
- 27 h. Evidence that the school district has
- 28 reorganized on or after July 1, 2002, or that the
- 29 school district has initiated a resolution to
- 30 reorganize by July 1, 2005, or entered into an
- 31 innovative collaboration with another school district
- 32 or school districts.
- 33 i. Evidence that the school district receives
- 34 sales and services tax for school infrastructure
- 35 funding under section 422E.3.
- 36 4. A school district with less than two hundred
- 37 fifty actual enrollment or less than one hundred
- 38 actual enrollment in the high school that submits an
- 39 application for assistance for new construction or for
- 40 payments for bonds issued for new construction shall
- 41 include on the application, in addition to that in
- 42 subsection 3, all of the following:
- 43 a. Enrollment trends in the grades that will be
- 44 served at the new construction site.
- 45 b. The infeasibility of remodeling,
- 46 reconstructing, or repairing existing buildings.
- 47 c. The fire and health safety needs of the school
- 48 district.
- 49 d. The distance, convenience, cost of
- 50 transportation, and accessibility of the new

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1 construction site to the students to be served at the
2 new construction site.

3 e. Availability of alternative, less costly, or
4 more effective means of serving the needs of the
5 students.

6 f. The financial condition of the district,
7 including the effect of the decline of the budget
8 guarantee and unspent balance.

9 g. Broad and long-term ability of the district to
10 support the facility and the quality of the academic
11 program.

12 h. Cooperation with other educational entities
13 including other school districts, area education
14 agencies, postsecondary institutions, and local
15 communities.

16 5. A school district shall not receive more than
17 one grant under the program. The financial assistance
18 shall be in the form of grants and shall be allocated
19 in the following manner:

20 a. Twenty-five percent of the financial assistance
21 each year shall be awarded to school districts with an
22 enrollment of one thousand one hundred ninety-nine
23 students or less.

24 b. Twenty-five percent of the financial assistance
25 each year shall be awarded to school districts with an
26 enrollment of more than one thousand one hundred
27 ninety-nine students but not more than four thousand
28 seven hundred fifty students.

29 c. Twenty-five percent of the financial assistance
30 each year shall be awarded to school districts with an
31 enrollment of more than four thousand seven hundred
32 fifty students.

33 d. Twenty-five percent of the financial assistance
34 each year, any financial assistance not awarded under
35 paragraphs "a" through "c", and financial assistance
36 not awarded in previous fiscal years shall be awarded
37 to school districts with any size enrollment.

38 6. A district shall receive the lesser of one
39 million dollars of financial assistance under the
40 program, or the total capital investment of the
41 project minus the local match requirement. If the
42 amount of grants awarded in a fiscal year is less than
43 the maximum amount provided for grants for that fiscal
44 year, the amount of the difference shall be carried
45 forward to subsequent fiscal years for purposes of
46 providing grants under the program and the maximum
47 amount of grants for each fiscal year shall be
48 adjusted accordingly.

49 7. The school budget review committee shall review
50 all applications for financial assistance under the

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1 program and make recommendations regarding the
2 applications to the department. The department shall
3 make the final determination on grant awards. The
4 school budget review committee shall base the
5 recommendations on the criteria established pursuant
6 to subsections 3 and 8 and subsection 4, if
7 applicable.

8 8. The department shall form a task force to
9 review applications for financial assistance and
10 provide recommendations to the school budget review
11 committee. The task force shall include, at a
12 minimum, representatives from the kindergarten through
13 grade twelve education community, the state fire
14 marshal, and individuals knowledgeable in school
15 infrastructure and construction issues. The
16 department, in consultation with the task force, shall
17 establish the parameters and the details of the
18 criteria for awarding grants based on the information
19 listed in subsection 3, including greater priority to
20 the following:

21 a. A school district with a lower capacity per
22 pupil.

23 b. A school district whose plans address specific
24 occupant safety issues.

25 c. A school district reorganizing or collaborating
26 as described in subsection 3, paragraph "h".

27 d. A school district for which a sales and
28 services tax for school infrastructure has not been
29 imposed pursuant to section 422E.2 or a school
30 district receiving minimal revenues under section
31 422E.3 when the total enrollment of the school
32 district is considered.

33 9. An applicant receiving financial assistance
34 under the program shall submit a progress report to
35 the department as requested by the department which
36 shall include a description of the activities under
37 the project, the status of the implementation of the
38 project, and any other information required by the
39 department.

40 10. A school district located in whole or in part
41 in a county which has imposed the maximum rate of
42 sales and services tax for school infrastructure
43 pursuant to section 422E.2 and has sales and services
44 tax for school infrastructure revenue of more than the
45 statewide average of sales tax capacity per pupil, as
46 defined in section 292.1, subsection 8, shall not be
47 eligible for financial assistance under the program.
48 For purposes of this subsection, an individual school
49 district's sales tax capacity per pupil is the
50 estimated total sales and services tax for

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1 infrastructure revenue to be actually received by the
2 school district divided by the school district's
3 enrollment as specified in section 292.1, subsection
4 8.

5 Sec. 131. NEW SECTION. 292A.3 STATE ASSISTANCE
6 FOR EDUCATIONAL INFRASTRUCTURE FUND.

7 a state assistance for educational infrastructure
8 fund is created as a separate and distinct fund in the
9 state treasury under the control of the department.
10 Moneys in the fund include revenues credited to the
11 fund pursuant to this chapter, appropriations made to
12 the fund, and other moneys deposited into the fund.
13 Any amounts disbursed from the fund shall be utilized
14 for school infrastructure purposes as provided in this
15 chapter.

16 Sec. 132. NEW SECTION. 292A.4 RULES.

17 The department shall adopt rules, pursuant to
18 chapter 17A, necessary for administering the state
19 assistance for educational infrastructure program and
20 fund.

21 DIVISION XXIII
22 EFFECTIVE DATE

23 Sec. 133. EFFECTIVE DATE. Unless otherwise
24 provided in this Act, this Act takes effect July 1,
25 2003."

26 ____ Title page, by striking lines 1 and 2 and
27 inserting the following: "An Act concerning
28 regulatory, taxation, and statutory requirements
29 affecting individuals and business relating to
30 taxation of property, income and utilities, liability
31 reform, workers' compensation, financial services,
32 unemployment compensation employer surcharges,
33 economic development, and school infrastructure
34 assistance, and including effective date,
35 applicability, and retroactive applicability
36 provisions."

37 3. By renumbering as necessary.

Carroll of Poweshiek offered the following amendment H-1623, to the Senate amendment H-1615, filed by him from the floor and moved its adoption:

H-1623

1 Amend the Senate amendment, H-1615, to House File
2 692, as amended, passed, and reprinted by the House,
3 as follows:

- 4 1. Page 5, line 23, by striking the word "or".
- 5 2. By striking page 23, line 23, through page 24,

- 6 line 14, and inserting the following:
- 7 "a. On all taxable income from
- 8 zero through one thousand dollars,
- 9 ~~thirty-six hundredths of one~~
- 10 percent:35% .34% .32%
- 11 b. On all taxable income exceeding
- 12 one thousand dollars but not
- 13 exceeding two thousand dollars,
- 14 ~~seventy-two hundredths of one~~
- 15 percent:70% .68% .65%
- 16 c. On all taxable income exceeding
- 17 two thousand dollars but not
- 18 exceeding four thousand dollars,
- 19 ~~two and forty-three hundredths~~
- 20 percent: 2.36% 2.30% 2.19%
- 21 d. On all taxable income exceeding
- 22 four thousand dollars but not
- 23 exceeding nine thousand dollars,
- 24 ~~four and one-half percent;~~ 4.37% 4.27% 4.05%
- 25 e. On all taxable income exceeding
- 26 nine thousand dollars but not
- 27 exceeding fifteen thousand
- 28 dollars, ~~six and twelve hundredths~~
- 29 percent: 5.94% 5.80% 5.51%
- 30 f. On all taxable income exceeding
- 31 fifteen thousand dollars but not
- 32 exceeding twenty thousand
- 33 dollars, ~~six and forty-eight hundredths~~
- 34 percent: 6.29% 6.14% 5.84%
- 35 g. On all taxable income exceeding
- 36 twenty thousand dollars but not
- 37 exceeding thirty thousand
- 38 dollars, ~~six and eight tenths~~
- 39 percent: 6.60% 6.45% 6.13%
- 40 h. On all taxable income exceeding
- 41 thirty thousand dollars but not
- 42 exceeding forty-five thousand
- 43 dollars, ~~seven and ninety-two hundredths~~
- 44 percent: 7.68% 7.51% 7.14%
- 45 i. On all taxable income exceeding
- 46 forty-five thousand dollars, ~~eight~~
- 47 ~~and ninety-eight hundredths~~
- 48 percent: 8.71% 8.51% 8.09%"
- 49 3. By striking page 24, line 28, through page 25,
- 50 line 19, and inserting the following:

Page 2

- 1 "a. On all taxable income from
- 2 zero through one thousand dollars,
- 3 ~~thirty-six hundredths of one~~
- 4 percent:31%

- 5 b. On all taxable income exceeding
- 6 one thousand dollars but not
- 7 exceeding two thousand dollars,
- 8 ~~seventy-two hundredths of one~~
- 9 percent: 62%
- 10 c. On all taxable income exceeding
- 11 two thousand dollars but not
- 12 exceeding four thousand dollars,
- 13 ~~two and forty-three hundredths~~
- 14 percent: 2.09%
- 15 d. On all taxable income exceeding
- 16 four thousand dollars but not
- 17 exceeding nine thousand dollars,
- 18 ~~four and one-half percent;~~ 3.87%
- 19 e. On all taxable income exceeding
- 20 nine thousand dollars but not
- 21 exceeding fifteen thousand
- 22 dollars, ~~six and twelve hundredths~~
- 23 percent: 5.26%
- 24 f. On all taxable income exceeding
- 25 fifteen thousand dollars but not
- 26 exceeding twenty thousand
- 27 dollars, ~~six and forty-eight hundredths~~
- 28 percent: 5.57%
- 29 g. On all taxable income exceeding
- 30 twenty thousand dollars but not
- 31 exceeding thirty thousand
- 32 dollars, ~~six and eight tenths~~
- 33 percent: 5.84%
- 34 h. On all taxable income exceeding
- 35 thirty thousand dollars but not
- 36 exceeding forty-five thousand
- 37 dollars, ~~seven and ninety-two hundredths~~
- 38 percent: 6.80%
- 39 i. On all taxable income exceeding
- 40 forty-five thousand dollars, ~~eight~~
- 41 ~~and ninety-eight hundredths~~
- 42 percent: 7.71%
- 43 4. Page 26, line 12, by striking the words "two
- 44 and five" and inserting the following: "one and
- 45 eighty-five".
- 46 5. Page 26, line 15, by striking the word "sixty-
- 47 five" and inserting the following: "seventy-five".
- 48 6. Page 26, line 17, by striking the word "nine-
- 49 tenths" and inserting the following: "ninety-nine
- 50 hundredths".

Page 3

- 1 7. By striking page 39, line 5 through page 65,
- 2 line 1 and inserting the following:
- 3 "DIVISION _

4 GROW IOWA VALUES BOARD AND FUND

5 Sec. __. Section 15.108, subsection 9, Code 2003,
6 is amended by adding the following new paragraph:
7 NEW PARAGRAPH. g. Administer the marketing
8 strategy selected pursuant to section 15G.108.

9 Sec. __. NEW SECTION. 15G.101 DEFINITIONS.

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

12 1. "Board" means the grow Iowa values board
13 established in section 15G.102.

14 2. "Department" means the Iowa department of
15 economic development created in section 15.105.

16 3. "Director" means the director of the department
17 of economic development.

18 4. "Fund" means the grow Iowa values fund created
19 in section 15G.107.

20 5. "Grow Iowa values geographic regions" means the
21 geographic regions defined in section 15G.105.

22 Sec. __. NEW SECTION. 15G.102 GROW IOWA VALUES
23 BOARD.

24 1. The grow Iowa values board is established
25 consisting of eleven voting members and four ex
26 officio, nonvoting members. The grow Iowa values
27 board shall be located for administrative purposes
28 within the department and the director shall provide
29 office space, staff assistance, and necessary supplies
30 and equipment for the board. The director shall
31 budget moneys to pay the compensation and expenses of
32 the board. In performing its functions, the board is
33 performing a public function on behalf of the state
34 and is a public instrumentality of the state.

35 2. a. The eleven voting members of the board
36 shall be appointed by the governor, subject to
37 confirmation by the senate.

38 b. The four ex officio, nonvoting members shall be
39 appointed as follows:

40 (1) One member appointed by the president of the
41 senate.

42 (2) One member appointed by the minority leader of
43 the senate.

44 (3) One member appointed by the speaker of the
45 house of representatives.

46 (4) One member appointed by the minority leader of
47 the house of representatives.

48 c. All appointments shall comply with sections
49 69.16 and 69.16A.

50 d. At least one member of the board shall be from

Page 4

1 each grow Iowa values geographic region.

2 e. Each of the following areas of expertise shall

3 be represented by at least one member of the board who
4 has professional experience in that area of expertise:

- 5 (1) Finance and investment banking.
- 6 (2) Advanced manufacturing.
- 7 (3) Statewide agriculture.
- 8 (4) Life sciences.
- 9 (5) Small business development.
- 10 (6) Information technology.
- 11 (7) Economics.
- 12 (8) Labor.
- 13 (9) Marketing.
- 14 (10) Entrepreneurship.

15 f. At least nine voting members of the board shall
16 be actively employed in the private, for-profit sector
17 of the economy.

18 g. The board membership shall be balanced between
19 representation by employers with less than two hundred
20 employees and employers with two hundred or more
21 employees.

22 3. The chairperson and vice chairperson shall be
23 elected by the voting members of the board from the
24 membership of the board. In the case of the absence
25 or disability of the chairperson and vice chairperson,
26 the voting members of the board shall elect a
27 temporary chairperson by a majority vote of those
28 voting members who are present and voting, provided a
29 quorum is present.

30 4. The members of the board shall be appointed to
31 three-year staggered terms and the terms shall
32 commence and end as provided in section 69.19. If a
33 vacancy occurs, a successor shall be appointed in the
34 same manner and subject to the same qualifications as
35 the original appointment to serve the unexpired term.

36 5. A majority of the voting members of the board
37 constitutes a quorum.

38 6. A member of the board shall abstain from voting
39 on the provision of financial assistance to a project
40 which is located in the county in which the member of
41 the board resides.

42 7. The members of the board are entitled to
43 receive reimbursement for actual expenses incurred
44 while engaged in the performance of official duties.
45 a board member may also be eligible to receive
46 compensation as provided in section 7E.6.

47 Sec. . **NEW SECTION.** 15G.103 BOARD DUTIES.

48 The board shall do all of the following:

- 49 1. Organize.
- 50 2. Receive advice and recommendations from the due

2 marketing board, and the grow Iowa values review
3 commission.

4 3. Assist the department in implementing programs
5 and activities in a manner designed to achieve the
6 goals set out in section 15G.106.

7 4. By December 15 of each year, submit a written
8 report to the general assembly reviewing the
9 activities of the board during the calendar year. The
10 report shall include information necessary for the
11 review of the goals and performance measures set out
12 in section 15G.106. State agencies and other entities
13 receiving moneys from the fund shall cooperate with
14 and assist the board in compilation of the report.

15 5. Adopt administrative rules pursuant to chapter
16 17a necessary to administer this chapter. This
17 delegation shall be construed narrowly.

18 6. Adopt a strategic plan pursuant to section
19 8E.204 by July 1, 2004.

20 Sec. . NEW SECTION. 15G.104 DUE DILIGENCE
21 COMMITTEE.

22 1. A due diligence committee is established
23 consisting of five members and is located for
24 administrative purposes within the department. The
25 director of the department shall provide office space,
26 staff assistance, and necessary supplies and equipment
27 for the committee. The director shall budget moneys
28 to pay the compensation and expenses of the committee.
29 In performing its functions, the committee is
30 performing a public function on behalf of the state
31 and is a public instrumentality of the state.

32 2. a. Membership of the due diligence committee
33 shall consist of five voting members of the grow Iowa
34 values board elected annually by the voting members of
35 the board. Committee members shall have expertise in
36 the areas of banking and entrepreneurship.

37 b. The chairperson and vice chairperson of the
38 committee shall be elected by and from the committee
39 members. The terms of the members shall commence and
40 end as provided by section 69.19. If a vacancy
41 occurs, a successor shall be appointed in the same
42 manner and subject to the same qualifications as the
43 original appointment to serve the unexpired term. A
44 majority of the committee constitutes a quorum.

45 3. The committee, after a thorough review, shall
46 determine whether a proposed project using moneys from
47 the grow Iowa values fund is practical and shall
48 provide recommendations to the grow Iowa values board
49 regarding any moneys proposed to be expended from the
50 grow Iowa values fund, with the exception of moneys

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1 appropriated for purposes of the loan and credit
2 guarantee program and regarding whether a proposed
3 project is practical. The recommendations shall be
4 based on whether the expenditure would make the
5 achievement of the goals in accordance with the
6 performance measures set out in section 15G.106 more
7 likely. The recommendations may include conditions or
8 that a proposed expenditure be rejected.

9 4. The members of the committee are entitled to
10 receive reimbursement for actual expenses incurred
11 while engaged in the performance of official duties.
12 a committee member may also be eligible to receive
13 compensation as provided in section 7E.6.

14 Sec. . NEW SECTION. 15G.104A GROW IOWA VALUES
15 REVIEW COMMISSION.

16 1. A grow Iowa values review commission is
17 established consisting of three members and is located
18 for administrative purposes within the office of the
19 auditor of state. The auditor of state shall provide
20 office space, staff assistance, and necessary supplies
21 and equipment for the review commission. The auditor
22 of state shall budget moneys to pay the compensation
23 and expenses of the commission, including the actual
24 expenses of the auditor of state incurred while
25 engaged in the performance of official commission
26 duties. In performing its functions, the review
27 commission is performing a public function on behalf
28 of the state and is a public instrumentality of the
29 state.

30 2. Membership of the review commission shall
31 include the auditor of state, one member appointed by
32 the governor subject to confirmation by the senate,
33 and one member appointed by the legislative council.
34 The members appointed by the governor and the
35 legislative council shall possess experience and
36 expertise in the field of economics. The appointments
37 shall comply with sections 69.16 and 69.16A. The
38 chairperson of the review commission shall be the
39 auditor of state. The members shall be appointed to
40 three-year staggered terms and the terms shall
41 commence and end as provided by section 69.19. If a
42 vacancy occurs, a successor shall be appointed in the
43 same manner and subject to the same qualifications as
44 the original appointment to serve the unexpired term.
45 a majority of the review commission constitutes a
46 quorum.

47 3. The review commission shall analyze all annual
48 reports of the grow Iowa values board for purposes of
49 determining if the goals and performance measures set
50 out in section 15G.106 have been met. By January 1,

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1 2007, the review commission shall submit a report to
2 the grow Iowa values board, the department, and the
3 general assembly. The report shall include findings,
4 itemized by grow Iowa values geographic regions,
5 regarding whether the goals and performance measures
6 were met. The report shall also include
7 recommendations regarding the continuation,
8 elimination, or modification of any programs receiving
9 moneys from the grow Iowa values fund and whether
10 moneys should continue to be appropriated to and from
11 the grow Iowa values fund. The recommendations shall
12 be based on whether the goals in accordance with the
13 performance measures are being achieved.

14 4. The members of the commission, including the
15 auditor of state, are entitled to receive
16 reimbursement for actual expenses incurred while
17 engaged in the performance of official duties. A
18 commission member may also be eligible to receive
19 compensation as provided in section 7E.6.

20 Sec. NEW SECTION. 15G.105 GROW IOWA VALUES
21 GEOGRAPHIC REGIONS.

22 For purposes of applying the goals and performance
23 measurements, the state shall be divided into five
24 grow Iowa values geographic regions. The regions
25 shall be the following:

26 1. The northwest region shall include the counties
27 of Lyon, Osceola, Dickinson, Emmet, Kossuth,
28 Winnebago, Sioux, O'Brien, Clay, Palo Alto, Hancock,
29 Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt,
30 Wright, Woodbury, Ida, Sac, Calhoun, Webster, and
31 Hamilton.

32 2. The northeast region shall include the counties
33 of Worth, Mitchell, Howard, Winneshiek, Allamakee,
34 Cerro Gordo, Floyd, Chickasaw, Fayette, Clayton,
35 Franklin, Butler, Bremer, Hardin, Grundy, Black Hawk,
36 Buchanan, Delaware, Dubuque, Tama, Benton, Linn,
37 Jones, and Jackson.

38 3. The southeast region shall include the counties
39 of Poweshiek, Iowa, Johnson, Cedar, Clinton, Scott,
40 Muscatine, Mahaska, Keokuk, Washington, Louisa,
41 Monroe, Wapello, Jefferson, Henry, Des Moines,
42 Appanoose, Davis, Van Buren, and Lee.

43 4. The southwest region shall include the counties
44 of Monona, Crawford, Carroll, Greene, Harrison,
45 Shelby, Audubon, Guthrie, Pottawattamie, Cass, Adair,
46 Mills, Montgomery, Adams, Union, Clarke, Lucas,
47 Fremont, Page, Taylor, Ringgold, Decatur, and Wayne.

48 5. The central region shall include the counties
49 of Boone, Story, Marshall, Dallas, Polk, Jasper,
50 Madison, Warren, and Marion.

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1 Sec. . NEW SECTION. 15G.106 GOALS -
2 PERFORMANCE MEASURES.

3 1. In performing the duties provided in this
4 chapter, chapter 15, and chapter 15E, the grow Iowa
5 values board, the due diligence committee, the
6 economic development marketing board, the grow Iowa
7 values review commission, and the department shall
8 achieve the goals of expanding and stimulating the
9 state economy, increasing the wealth of Iowans, and
10 increasing the population of the state. For purposes
11 of this section, "upper midwest region" includes the
12 states of Iowa, Kansas, Minnesota, Missouri, Nebraska,
13 North Dakota, and South Dakota.

14 2. Goal achievement shall be examined on a
15 regional basis using the grow Iowa values geographic
16 regions on a statewide basis. Family farm performance
17 indicators shall be calculated separately. The
18 performance of the grow Iowa values geographic regions
19 shall be compared to the performance of the state, the
20 upper midwest region, and the United States. The
21 baseline year shall be the calendar year 2002. In
22 each grow Iowa values geographic region, the goal
23 shall be to increase the baseline performance measure
24 of Iowa's gross state product at a rate equal to or
25 greater than the national economy.

26 3. a. In determining whether the goal of
27 expanding and stimulating the state economy has been
28 met, and using the calendar year 2002 as a baseline,
29 performance measures shall be considered, including
30 but not limited to the following, on a statewide basis
31 or of those businesses that receive moneys originating
32 from the grow Iowa values fund, as appropriate:

- 33 (1) a net increase in a business's supplier
34 network.
35 (2) A net increase in business start-ups.
36 (3) A net increase in business expansion.
37 (4) A net increase in business modernization.
38 (5) A net increase in attracting new businesses to
39 the state.
40 (6) A net increase in business retention.
41 (7) A net increase in job creation and retention.
42 (8) A decrease in Iowa of the ratio of the
43 government employment as a percentage share of the
44 total employment in Iowa at a rate at least equal to
45 the ratio of the upper midwest region.

46 b. By December 15 of each year, the department
47 shall submit a report to the grow Iowa values review
48 commission and the grow Iowa values board that
49 identifies information pertinent to the performance
50 measures in paragraph "a", subparagraphs (3), (4), and

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1 (6), that the department gains through interviews with
2 businesses in the state that close all or a portion of
3 operations in the state. By December 15 of each year,
4 based on the same interviews, the department shall
5 submit a report to the general assembly providing
6 suggested amendments to the Code of Iowa and the Iowa
7 administrative code designed to stimulate and expand
8 the state's economy.

9 c. By December 15 of each year the department
10 shall submit a report to the grow Iowa values review
11 commission and the grow Iowa values board that
12 identifies prospective lost business development
13 opportunities information pertinent to the performance
14 measures in paragraph "a", subparagraphs (2) and (5),
15 which indicate that the state has not been successful
16 in the performance measures in paragraph "a",
17 subparagraphs (2) and (5).

18 d. For purposes of the performance measure in
19 paragraph "a", subparagraph (7), the department of
20 economic development, in consultation with the
21 department of workforce development and the auditor of
22 state, shall determine average annual job creation and
23 retention rates based on the ten years prior to 2003,
24 for the state and the upper midwest region. During
25 the fiscal years beginning July 1, 2003, July 1, 2004,
26 and July 1, 2005, the department of economic
27 development shall report the job creation and
28 retention rate of those businesses that receive moneys
29 originating from the grow Iowa values fund and the job
30 creation and retention rate of those businesses that
31 do not receive moneys originating from the grow Iowa
32 values fund. The ten-year average annual job creation
33 and retention rate shall be compared to the job
34 creation and retention rates determined under this
35 paragraph for the fiscal years beginning July 1, 2003,
36 July 1, 2004, and July 1, 2005. The department of
37 economic development shall assist the department of
38 workforce development in maintaining detailed
39 employment statistics on businesses that receive
40 moneys originating from the grow Iowa values fund, on
41 businesses that do not receive moneys originating from
42 the grow Iowa values fund, and on industries in Iowa
43 that those businesses represent. The auditor of state
44 shall audit the reliability and validity of the
45 statistics compiled pursuant to this paragraph.

46 4. In determining whether the goal of increasing
47 the wealth of Iowans has been met, the following
48 earning performance measures shall be considered:

49 a. The per capita personal income in Iowa shall
50 equal or exceed the average per capita personal income

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1 for the upper midwest region.

2 b. The average earnings per job in Iowa shall
3 equal or exceed the average earnings per job in the
4 upper midwest region.

5 c. The average manufacturing earnings per employee
6 in Iowa shall equal or exceed the average
7 manufacturing earnings per employee in the upper
8 midwest region.

9 d. The average service earnings per employee in
10 Iowa shall equal or exceed the average service
11 earnings per employee in the upper midwest region.

12 e. The average earnings per employee in the
13 financial, insurance, and real estate industries in
14 Iowa shall equal or exceed the average earnings per
15 employee in the financial, insurance, and real estate
16 industries in the upper midwest region.

17 5. In determining whether the goal of increasing
18 the population of the state has been met, the
19 following performance measures shall be considered:

20 a. Using the calendar year 2002 as a baseline
21 year, a net increase in the retention of Iowa high
22 school graduates that are employed in the Iowa
23 workforce following a higher education degree.

24 b. The increase in higher education graduates.

25 Sec. NEW SECTION. 15G.107 GROW IOWA VALUES
26 FUND.

27 A grow Iowa values fund is created in the state
28 treasury under the control of the grow Iowa values
29 board consisting of moneys appropriated to the grow
30 Iowa values board. Moneys in the fund are not subject
31 to section 8.33. Notwithstanding section 12C.7,
32 interest or earnings on moneys in the fund shall be
33 credited to the fund. The fund shall be administered
34 by the grow Iowa values board, which shall make
35 expenditures from the fund consistent with this
36 chapter and pertinent Acts of the general assembly.
37 Any financial assistance provided using moneys from
38 the fund may be provided over a period of time of more
39 than one year. Payments of interest, repayments of
40 moneys loaned pursuant to this chapter, and recaptures
41 of grants or loans shall be deposited in the fund.

42 Sec. NEW SECTION. 15G.108 ECONOMIC
43 DEVELOPMENT MARKETING BOARD - MARKETING STRATEGIES.

44 1. a. An economic development marketing board is
45 established consisting of seven members and is located
46 for administrative purposes within the department.
47 The director of the department shall provide office
48 space, staff assistance, and necessary supplies and
49 equipment for the board. The director shall budget
50 moneys to pay the compensation and expenses of the

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1 board. In performing its functions, the board is
2 performing a public function on behalf of the state
3 and is a public instrumentality of the state.

4 b. The membership of the board shall consist of
5 seven members appointed by the governor, subject to
6 confirmation by the senate. Five of the members shall
7 have significant demonstrated experience in marketing
8 or advertising. Two members of the board shall also
9 be members of the grow Iowa values board.

10 c. The appointments shall comply with sections
11 69.16 and 69.16A.

12 d. The chairperson and vice chairperson of the
13 board shall be elected by and from the board members.
14 In case of the absence or disability of the
15 chairperson and vice chairperson, the members of the
16 board shall elect a temporary chairperson by a
17 majority vote of those members who are present and
18 voting.

19 e. The members shall be appointed to three-year
20 staggered terms and the terms shall commence and end
21 as provided by section 69.19. If a vacancy occurs, a
22 successor shall be appointed to serve the unexpired
23 term. A successor shall be appointed in the same
24 manner and subject to the same qualifications as the
25 original appointment to serve the unexpired term.

26 f. A majority of the board constitutes a quorum.

27 2. The board shall administer and implement the
28 approval process for marketing strategies provided in
29 subsection 3.

30 3. The economic development marketing board shall
31 accept proposals for marketing strategies for purposes
32 of selecting a strategy for the department to
33 administer. The marketing strategies shall be
34 designed to market Iowa as a lifestyle, increase the
35 population of the state, increase the wealth of
36 Iowans, and expand and stimulate the state economy.
37 The economic development marketing board shall submit
38 a recommendation regarding the proposal to the grow
39 Iowa values board. In selecting a marketing strategy
40 for recommendation, the economic development marketing
41 board shall base the selection on the goals and
42 performance measures provided in section 15G.106. The
43 grow Iowa values board shall either approve or deny
44 the recommendation.

45 4. The department shall implement and administer
46 the marketing strategy approved by the grow Iowa
47 values board as provided in subsection 3. The
48 department shall provide the economic development
49 marketing board with assistance in implementing
50 administrative functions of the board and provide

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1 technical assistance to the board.

2 5. The members of the board are entitled to
3 receive reimbursement for actual expenses incurred
4 while engaged in the performance of official duties.
5 a board member may also be eligible to receive
6 compensation as provided in section 7E.6.

7 Sec. __. NEW SECTION. 15G.109 FUTURE
8 CONSIDERATION.

9 Not later than February 1, 2007, the legislative
10 services agency shall prepare and deliver to the
11 secretary of the senate and the chief clerk of the
12 house of representatives identical bills that repeal
13 the provisions of this chapter. It is the intent of
14 this section that the general assembly shall bring the
15 bill to a vote in either the senate or the house of
16 representatives expeditiously. It is further the
17 intent of this chapter that if the bill is approved by
18 the first house in which it is considered, it shall
19 expeditiously be brought to a vote in the second
20 house.

21 DIVISION __

22 VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES
23 FINANCIAL ASSISTANCE PROGRAM

24 Sec. __. Section 15E.111, subsection 1, Code
25 2003, is amended to read as follows:

26 1. a. The department shall establish a value-
27 added agricultural products and processes financial
28 assistance program. The department shall consult with
29 ~~the Iowa corn growers association and the Iowa soybean~~
30 ~~association~~ Iowa commodity groups. The purpose of the
31 program is to encourage the increased utilization of
32 agricultural commodities produced in this state. The
33 program shall assist in efforts to revitalize rural
34 regions of this state, by committing resources to
35 provide financial assistance to new or existing value-
36 added production facilities. The department of
37 economic development may consult with other state
38 agencies regarding any possible future environmental,
39 health, or safety issues linked to technology related
40 to the biotechnology industry. In awarding financial
41 assistance, the department shall prefer producer-
42 owned, value-added businesses and public and private
43 joint ventures involving an institution of higher
44 learning under the control of the state board of
45 regents or a private college or university acquiring
46 assets, research facilities, and leveraging moneys in
47 a manner that meets the goals of the grow Iowa values
48 fund and shall commit resources to assist the
49 following:

50 a. (1) Facilities which are involved in the

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1 development of new innovative products and processes
2 related to agriculture. The facility must do either
3 of the following: produce a good derived from an
4 agricultural commodity, if the good is not commonly
5 produced from an agricultural commodity; or use a
6 process to produce a good derived from an agricultural
7 process, if the process is not commonly used to
8 produce the good.

9 b. (2) Renewable fuel production facilities. As
10 used in this section, "renewable fuel" means an energy
11 source which is derived from an organic compound
12 capable of powering machinery, including an engine or
13 power plant.

14 (3) Agricultural business facilities in the
15 agricultural biotechnology industry, agricultural
16 biomass industry, and alternative energy industry.
17 For purposes of this subsection:

18 (a) "Agricultural biomass industry" means
19 businesses that utilize agricultural commodity crops,
20 agricultural by-products, or animal feedstock in the
21 production of chemicals, protein products, or other
22 high-value products.

23 (b) "Agricultural biotechnology industry" means
24 businesses that utilize scientifically enhanced plants
25 or animals that can be raised by producers and used in
26 the production of high-value products.

27 (c) "Alternative energy industry" includes
28 businesses involved in the production of ethanol,
29 including gasoline with a mixture of seventy percent
30 or more ethanol, biodiesel, biomass, hydrogen, or in
31 the production of wind energy.

32 (4) Facilities that add value to Iowa agricultural
33 commodities through further processing and development
34 of organic products and emerging markets.

35 (5) Producer-owned, value-added businesses,
36 education of producers and management boards in value-
37 added businesses, and other activities that would
38 support the infrastructure in the development of
39 value-added agriculture. Public and private joint
40 ventures involving an institution of higher learning
41 under the control of the state board of regents or a
42 private college or university to acquire assets,
43 research facilities, and leverage moneys in a manner
44 that meets the goals of the grow Iowa values fund.
45 For purposes of this subsection, "producer-owned,
46 valued-added business" means a person who holds an
47 equity interest in the agricultural business and is
48 personally involved in the production of crops or
49 livestock on a regular, continuous, and substantial
50 basis.

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1 b. Financial assistance awarded under this section
2 may be in the form of a loan, loan guarantee, grant,
3 production incentive payment, or a combination of
4 financial assistance. The department shall not award
5 more than twenty-five percent of the amount allocated
6 to the value-added agricultural products and processes
7 financial assistance fund during any fiscal year to
8 support a single person. The department may finance
9 any size of facility. However, the department shall
10 may reserve up to fifty percent of the total amount
11 allocated to the fund, for purposes of assisting
12 persons requiring ~~one~~ five hundred thousand dollars or
13 less in financial assistance. The amount shall be
14 reserved until the end of the third quarter of the
15 fiscal year. The department shall not provide
16 financial assistance to support a value-added
17 production facility if the facility or a person owning
18 a controlling interest in the facility has
19 demonstrated a continuous and flagrant disregard for
20 the health and safety of its employees or the quality
21 of the environment. Evidence of such disregard shall
22 include a history of serious or uncorrected violations
23 of state or federal law protecting occupational health
24 and safety or the environment, including but not
25 limited to serious or uncorrected violations of
26 occupational safety and health standards enforced by
27 the division of labor services of the department of
28 workforce development pursuant to chapter 84A, or
29 rules enforced by the department of natural resources
30 pursuant to chapter 455B or 459, subchapters II and
31 III.

32 DIVISION __
33 ENDOW IOWa GRANTS

34 Sec. __. NEW SECTION. 15E.301 SHORT TITLE.
35 This division shall be known as and may be cited as
36 the "Endow Iowa Program Act".

37 Sec. __. NEW SECTION. 15E.302 PURPOSE.
38 The purpose of this division is to enhance the
39 quality of life for citizens of this state through
40 increased philanthropic activity by providing capital
41 to new and existing citizen groups of this state
42 organized to establish endowment funds that will
43 address community needs. The purpose of this division
44 is also to encourage individuals, businesses, and
45 organizations to invest in community foundations.

46 Sec. __. NEW SECTION. 15E.303 DEFINITIONS.
47 As used in this division, unless the context
48 otherwise requires:

49 1. "Board" means the governing board of the lead
50 philanthropic entity identified by the department

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1 pursuant to section 15E.304.

2 2. "Business" means a business operating within
3 the state and includes individuals operating a sole
4 proprietorship or having rental, royalty, or farm
5 income in this state and includes a consortium of
6 businesses.

7 3. "Community affiliate organization" means a
8 group of five or more community leaders or advocates
9 organized for the purpose of increasing philanthropic
10 activity in an identified community or geographic area
11 in this state with the intention of establishing a
12 community affiliate endowment fund.

13 4. "Endowment gift" means an irrevocable
14 contribution to a permanent endowment held by a
15 qualified community foundation.

16 5. "Lead philanthropic entity" means the entity
17 identified by the department pursuant to section
18 15E.304.

19 6. "Qualified community foundation" means a
20 community foundation organized or operating in this
21 state that meets or exceeds the national standards
22 established by the national council on foundations.

23 Sec. NEW SECTION. 15E.304 ENDOW IOWA
24 GRANTS.

25 1. The department shall identify a lead
26 philanthropic entity for purposes of encouraging the
27 development of qualified community foundations in this
28 state. A lead philanthropic entity shall meet all of
29 the following qualifications:

30 a. The entity shall be a nonprofit entity which is
31 exempt from federal income taxation pursuant to
32 section 501(c)(3) of the Internal Revenue Code.

33 b. The entity shall be a statewide organization
34 with membership consisting of organizations, such as
35 community, corporate, and private foundations, whose
36 principal function is the making of grants within the
37 state of Iowa.

38 c. The entity shall have a minimum of forty
39 members and that membership shall include qualified
40 community foundations.

41 2. A lead philanthropic entity may receive a grant
42 from the department. The board shall use the grant
43 moneys to award endow Iowa grants to new and existing
44 qualified community foundations and to community
45 affiliate organizations that do all of the following:

46 a. Provide the board with all information required
47 by the board.

48 b. Demonstrate a dollar-for-dollar funding match
49 in a form approved by the board.

50 c. Identify a qualified community foundation to

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- 1 hold all funds. A qualified community foundation
2 shall not be required to meet this requirement.
- 3 d. Provide a plan to the board demonstrating the
4 method for distributing grant moneys received from the
5 board to organizations within the community or
6 geographic area as defined by the qualified community
7 foundation or the community affiliate organization.
- 8 3. Endow Iowa grants awarded to new and existing
9 qualified community foundations and to community
10 affiliate organizations shall not exceed twenty-five
11 thousand dollars per foundation or organization unless
12 a foundation or organization demonstrates a multiple
13 county or regional approach. Endow Iowa grants may be
14 awarded on an annual basis with not more than three
15 grants going to one county in a fiscal year.
- 16 4. In ranking applications for grants, the board
17 shall consider a variety of factors including the
18 following:
- 19 a. The demonstrated need for financial assistance.
20 b. The potential for future philanthropic activity
21 in the area represented by or being considered for
22 assistance.
23 c. The proportion of the funding match being
24 provided.
25 d. For community affiliate organizations, the
26 demonstrated need for the creation of a community
27 affiliate endowment fund in the applicant's geographic
28 area.
29 e. The identification of community needs and the
30 manner in which additional funding will address those
31 needs.
32 f. The geographic diversity of awards.
- 33 5. Of any moneys received by a lead philanthropic
34 entity from the state, not more than five percent of
35 such moneys shall be used by the entity for
36 administrative purposes.
- 37 Sec. __. NEW SECTION. 15E.306 REPORTS –
38 AUDITS.
- 39 By January 31 of each year, the lead philanthropic
40 entity, in cooperation with the department, shall
41 publish an annual report of the activities conducted
42 pursuant to this division during the previous calendar
43 year and shall submit the report to the governor and
44 the general assembly. The annual report shall include
45 a listing of endowment funds and the amount of tax
46 credits authorized by the department.
- 47 Sec. __. EFFECTIVE AND RETROACTIVE APPLICABILITY
48 DATES. This division of this Act, being deemed of
49 immediate importance, takes effect upon enactment and
50 is retroactively applicable to January 1, 2003, for

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1 tax years beginning on or after that date.

2 DIVISION _____

3 COMMERCIALIZATION OF RESEARCH ISSUES

4 Sec. ____ Section 262.9, Code 2003, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 29. By January 15 of each year,
7 submit a report to the governor, through the director
8 of technology in the office of the governor, and the
9 general assembly containing information from the
10 previous calendar year regarding all of the following:

11 a. Patents secured or applied for by each
12 university under the control of the board delineated
13 by university and by faculty member and staff member
14 responsible for the research or activity that resulted
15 in the patent. In the initial report filed by January
16 15, 2004, the board shall include an inventory of
17 patent portfolios with details concerning which
18 patents are creating financial benefit and the amount
19 of financial benefit and which patents are not
20 creating financial benefit and the amount invested in
21 those patents.

22 b. Research grants secured by each university
23 under the control of the board from both public and
24 private sources delineated by university and by
25 faculty member and staff member. The board shall also
26 include the same information for grant applications
27 that are denied.

28 c. The number of faculty members and staff members
29 at each university under the control of the board
30 involved in a start-up company.

31 d. The number of grant applications for research
32 received by each university under the control of the
33 board for start-up companies, the number of
34 applications approved, and the number of applications
35 denied.

36 e. The number of agreements entered into by
37 faculty members and staff members at each university
38 under the control of the board with foundations
39 affiliated with the universities relating to business
40 start-ups.

41 f. An accounting of the financial gain received by
42 each university under the control of the board
43 relating to patents sold, royalties received,
44 licensing fees, and any other remuneration received by
45 the university related to technology transfer.

46 g. The number of professional employees at each
47 university under the control of the board who assist
48 in the transfer of technology and research to
49 commercial application.

50 Sec. ____ Section 262B.1, Code 2003, is amended to

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1 read as follows:

2 262B.1 TITLE.

3 This chapter shall be known and may be cited as the
4 ~~"University-Based Research and Economic Development~~
5 ~~"Commercialization of Research for Iowa Act"~~.

6 Sec.____. Section 262B.2, Code 2003, is amended by
7 striking the section and inserting in lieu thereof the
8 following:

9 262B.2 LEGISLATIVE INTENT.

10 It is the intent of the general assembly that the
11 three universities under the control of the state
12 board of regents have as part of their mission the use
13 of their universities' expertise to expand and
14 stimulate economic growth across the state. This
15 activity may be accomplished through a wide variety of
16 partnerships, public and private joint ventures, and
17 cooperative endeavors, primarily in the area of high
18 technology, and may result in investments by the
19 private sector for commercialization of the
20 technology. It is imperative that the investments and
21 job creation be in Iowa, but need not be in the
22 proximity of the universities. The purpose is to
23 expand and stimulate Iowa's economy, increase the
24 wealth of Iowans, and increase the population of Iowa,
25 which may be accomplished through research conducted
26 within the state that will competitively position Iowa
27 on an economic basis with other states and create
28 high-wage, high-growth employers and jobs. It is also
29 the intent of the general assembly that real or
30 virtual research parks will be established and
31 maintained by the universities in close enough
32 proximity to the ventures that cooperation between the
33 academic, research, and commercialization phases will
34 be encouraged. It is the intent of the general
35 assembly that satellites of the research parks will
36 expand and stimulate economic growth in other areas of
37 the state.

38 Sec.____. Section 262B.3, Code 2003, is amended to
39 read as follows:

40 262B.3 ESTABLISHMENT OF CONSORTIUM DUTIES AND
41 RESPONSIBILITIES.

42 1. The ~~state~~ board of regents ~~or the universities~~
43 ~~under its jurisdiction, as part of its mission and~~
44 ~~strategic plan,~~ shall establish ~~consortiums mechanisms~~
45 for the purpose of carrying out the intent of this
46 chapter. ~~The majority of consortium members shall be~~
47 ~~from the university community and the balance of~~
48 ~~members shall be from private industry. The members~~
49 ~~of the consortium shall be appointed by the president~~
50 ~~of the convening university and will serve at the~~

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1 ~~pleasure of the president.~~ In addition to other board
 2 initiatives, the board shall work with the department
 3 of economic development, other state agencies, and the
 4 private sector to facilitate the commercialization of
 5 research.

6 2. Activities to implement this chapter may
 7 include:

8 a. Developing strategies to market university
 9 research for commercialization in Iowa.

10 b. Matching university resources with the needs of
 11 existing Iowa firms or start-up opportunities.

12 c. Evaluating university research for
 13 commercialization potential, where relevant.

14 d. Developing a plan to improve private sector
 15 access to the university licenses and patent
 16 information and the transfer of technology from the
 17 university to the private sector.

18 e. Disseminating information on research
 19 activities of the university.

20 f. Identifying research needs of existing Iowa
 21 businesses and recommending ways in which the
 22 universities can meet these needs.

23 g. Linking research and instruction activities to
 24 economic development.

25 h. Reviewing and monitoring activities related to
 26 technology transfer.

27 i. Coordinating activities to facilitate a focus
 28 on research in the state's targeted industry clusters.

29 j. Surveying of similar activities in other states
 30 and at other universities.

31 k. Establishing a single point of contact to
 32 facilitate commercialization of research.

33 Sec. __. Section 262B.5, Code 2003, is amended to
 34 read as follows:

35 262B.5 REGENTS AND DEPARTMENT OF ECONOMIC
 36 DEVELOPMENT REPORTING.

37 The state board of regents and the Iowa department
 38 of economic development shall enter into an agreement
 39 under chapter 28E to coordinate and facilitate the
 40 activities of the consortiums. The state board of
 41 regents and with input from the Iowa department of
 42 economic development shall report annually to the
 43 governor and the general assembly concerning the
 44 activities of the consortiums conducted pursuant to
 45 this chapter.

46 Sec. __. NEW SECTION. 262B.6 DIRECTOR OF
 47 TECHNOLOGY - TECHNOLOGY TRANSFER AGENTS.

48 1. The governor shall appoint a director of
 49 technology to serve within the office of the governor.
 50 a position is created for a deputy director of

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1 technology within the office of the governor. The
2 director and the deputy director shall be responsible
3 for advancing technology transfer and
4 commercialization issues in the state and shall
5 coordinate the related activities at the institutions
6 of higher learning under the control of the state
7 board of regents. The director shall have
8 demonstrated expertise and experience in the areas of
9 business, industry, and academics.

10 2. Each institution of higher learning under the
11 control of the state board of regents shall designate
12 an employee to serve as a technology transfer agent to
13 coordinate the activities of the institution with the
14 director of technology within the office of the
15 governor.

16 3. By December 1, 2004, the director shall conduct
17 a study and develop recommendations for the
18 advancement of technology transfer and
19 commercialization issues. The director shall compile
20 and submit the recommendations in written form to the
21 general assembly by December 1, 2004. The
22 recommendations shall include specific and detailed
23 proposed amendments to the Code of Iowa necessary to
24 advance the proposed recommendations.

25 Sec. __. Section 262B.4, Code 2003, is repealed.

26 DIVISION __

27 IOWA ECONOMIC DEVELOPMENT
28 LOAN AND CREDIT GUARANTEE FUND

29 Sec. __. NEW SECTION. 15E.221 SHORT TITLE.

30 This division shall be known and may be cited as
31 the "Iowa Economic Development Loan and Credit
32 Guarantee Fund Act".

33 Sec. __. NEW SECTION. 15E.222 LEGISLATIVE
34 FINDING - PURPOSES.

35 1. The general assembly finds all of the
36 following:

37 a. That small and medium-sized businesses, in
38 general, and certain targeted industry businesses and
39 other qualified businesses, in particular, may not
40 qualify for conventional financing.

41 b. That the limited availability of credit for
42 export transactions limits the ability of small and
43 medium-sized businesses in this state to compete in
44 international markets.

45 c. That, to enhance competitiveness and foster
46 economic development, this state must focus on growth
47 in certain specific targeted industry businesses and
48 other qualified businesses, especially during a time
49 of war.

50 d. That the challenge for the public economic

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1 sector is to create an atmosphere conducive to
2 economic growth, in conjunction with financial
3 institutions in the private sector, which fill the
4 gaps in credit availability and export finance, and
5 that allow the private sector to identify the lending
6 opportunities and foster decision making at the local
7 level.

8 2. The general assembly declares the purposes of
9 this division to be all of the following:

10 a. To create incentives and assistance to increase
11 the flow of private capital to targeted industry
12 businesses and other qualified businesses.

13 b. To promote industrial modernization and
14 technology adoption.

15 c. To encourage the retention and creation of
16 jobs.

17 d. To encourage the export of goods and services
18 sold by Iowa businesses in national and international
19 markets.

20 Sec. . **NEW SECTION. 15E.223 DEFINITIONS.**

21 As used in this division, unless the context
22 otherwise requires:

23 1. "Financial institution" means an institution
24 listed in section 422.61, subsection 1, or such other
25 financial institution as defined by the department for
26 purposes of this division.

27 2. "Program" means the loan and credit guarantee
28 program established in this division.

29 3. "Qualified business" means an existing or
30 proposed business entity with an annual average number
31 of employees not exceeding two hundred employees.

32 "Qualified business" does not include businesses
33 engaged primarily in retail sales, real estate, or the
34 provision of health care or other professional
35 services. "Qualified business" includes professional
36 services businesses that provide services to targeted
37 industry businesses or other entities.

38 4. "Targeted industry business" means an existing
39 or proposed business entity, including an emerging
40 small business or qualified business which is operated
41 for profit and which has a primary business purpose of
42 doing business in at least one of the targeted
43 industries designated by the department which include
44 life sciences, software and information technology,
45 advanced manufacturing, value-added agriculture, and
46 any other industry designated as a targeted industry
47 by the loan and credit guarantee advisory board.

48 Sec. . **NEW SECTION. 15E.224 LOAN AND CREDIT**
49 **GUARANTEE PROGRAM.**

50 1. The department shall, with the advice of the

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1 loan and credit guarantee advisory board, establish
2 and administer a loan and credit guarantee program.
3 The department, pursuant to agreements with financial
4 institutions, shall provide loan and credit
5 guarantees, or other forms of credit guarantees for
6 qualified businesses and targeted industry businesses
7 for eligible project costs. A loan or credit
8 guarantee provided under the program may stand alone
9 or may be used in conjunction with or to enhance other
10 loans or credit guarantees, offered by private, state,
11 or federal entities. The department may purchase
12 insurance to cover defaulted loans meeting the
13 requirements of the program. However, the department
14 shall not in any manner directly or indirectly pledge
15 the credit of the state. Eligible project costs
16 include expenditures for productive equipment and
17 machinery, working capital for operations and export
18 transactions, research and development, marketing, and
19 such other costs as the department may so designate.

20 2. A loan or credit guarantee or other form of
21 credit guarantee provided under the program to a
22 participating financial institution for a single
23 qualified business or targeted industry business shall
24 not exceed one million dollars in value. Loan or
25 credit guarantees or other forms of credit guarantees
26 provided under the program to more than one
27 participating financial institution for a single
28 qualified business or targeted industry business shall
29 not exceed ten million dollars in value.

30 3. In administering the program, the department
31 shall consult and cooperate with financial
32 institutions in this state and with the loan and
33 credit guarantee advisory board. Administrative
34 procedures and application procedures, as practicable,
35 shall be responsive to the needs of qualified
36 businesses, targeted industry businesses, and
37 financial institutions, and shall be consistent with
38 prudent investment and lending practices and criteria.

39 4. Each participating financial institution shall
40 identify and underwrite potential lending
41 opportunities with qualified businesses and targeted
42 industry businesses. Upon a determination by a
43 participating financial institution that a qualified
44 business or targeted industry business meets the
45 underwriting standards of the financial institution,
46 subject to the approval of a loan or credit guarantee,
47 the financial institution shall submit the
48 underwriting information and a loan or credit
49 guarantee application to the department.

50 5. The department, with the advice of the loan and

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1 credit guarantee advisory board, shall adopt a loan or
2 credit guarantee application procedure for a financial
3 institution on behalf of a qualified business or
4 targeted industry business.

5 6. Upon approval of a loan or credit guarantee,
6 the department shall enter into a loan or credit
7 guarantee agreement with the participating financial
8 institution. The agreement shall specify all of the
9 following:

10 a. The fee to be charged to the financial
11 institution.

12 b. The evidence of debt assurance of, and security
13 for, the loan or credit guarantee.

14 c. A loan or credit guarantee that does not exceed
15 fifteen years.

16 d. Any other terms and conditions considered
17 necessary or desirable by the department.

18 7. The department, with the advice of the loan and
19 credit guarantee advisory board, may adopt loan and
20 credit guarantee application procedures that allow a
21 qualified business or targeted industry business to
22 apply directly to the department for a preliminary
23 guarantee commitment. A preliminary guarantee
24 commitment may be issued by the department subject to
25 the qualified business or targeted industry business
26 securing a commitment for financing from a financial
27 institution. The application procedures shall specify
28 the process by which a financial institution may
29 obtain a final loan and credit guarantee.

30 Sec. . NEW SECTION. 15E.225 TERMS - FEES.

31 1. When entering into a loan or credit guarantee
32 agreement, the department, with the advice of the loan
33 and credit guarantee advisory board, shall establish
34 fees and other terms for participation in the program
35 by qualified businesses and targeted industry
36 businesses.

37 2. The department, with due regard for the
38 possibility of losses and administrative costs and
39 with the advice of the loan and credit guarantee
40 advisory board, shall set fees and other terms at
41 levels sufficient to assure that the program is self-
42 financing.

43 3. For a preliminary guarantee commitment, the
44 department may charge a qualified business or targeted
45 industry business a preliminary guarantee commitment
46 fee. The application fee shall be in addition to any
47 other fees charged by the department under this
48 section and shall not exceed one thousand dollars for
49 an application.

50 Sec. . NEW SECTION. 15E.226 LOAN AND CREDIT

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1 GUARANTEE ADVISORY BOARD.

2 A loan and credit guarantee advisory board is
3 established consisting of seven members appointed by
4 the governor, subject to confirmation by the senate.
5 The advisory board shall provide the department with
6 technical advice regarding the administration of the
7 program, including the adoption of administrative
8 rules pursuant to chapter 17A. The advisory board
9 shall review and provide recommendations regarding all
10 applications under the program. Members of the
11 advisory board are entitled to receive reimbursement
12 for actual expenses incurred while engaged in the
13 performance of official duties. Advisory board
14 members may also be eligible to receive compensation
15 as provided in section 7E.6. The director of the
16 department shall budget moneys to pay the compensation
17 and expenses of the advisory board. The provisions of
18 this section relating to the adoption of
19 administrative rules shall be construed narrowly.

20 DIVISION __

21 ECONOMIC DEVELOPMENT ASSISTANCE AND DATA COLLECTION

22 Sec. __. NEW SECTION. 15E.118 BUSINESS START-UP
23 INFORMATION – INTERNET WEB SITE.

24 The department shall provide information through an
25 internet web site and a toll-free telephone service to
26 assist persons interested in establishing a commercial
27 facility or engaging in a commercial activity. The
28 information shall include all of the following:

- 29 1. Assistance, information, and guidance for
30 start-up businesses.
- 31 2. Information gathered by the department pursuant
32 to section 15E.17, subsection 2.
- 33 3. Personal and corporate income tax information.
- 34 4. Information regarding financial assistance and
35 incentives available to businesses.
- 36 5. Workforce availability in the state presented
37 in a regional format.

38 Sec. __. NEW SECTION. 15E.119 ECONOMIC
39 DEVELOPMENT-RELATED DATA COLLECTION.

- 40 1. The department shall interview any business
41 that considered locating in Iowa but decided to locate
42 elsewhere. The department shall attempt to determine
43 factors that affected the location decision of the
44 business.
- 45 2. The department shall interview any business
46 that closes major operations in the state or dissolves
47 the business's corporate status in an effort to
48 identify factors that led to the closure or
49 dissolution.
- 50 3. By January 15 of each year, the department

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1 shall submit a written report to the general assembly
2 that summarizes the information collected pursuant to
3 this section and provides suggested amendments to the
4 Code of Iowa and the Iowa administrative code designed
5 to stimulate and expand the state's economy.
6 Sec. __. INTERNET WEB SITE DEVELOPMENT. In
7 developing the internet web site required in section
8 15E.118, the department of economic development shall
9 examine similar efforts in other states and
10 incorporate the best practices.

DIVISION __

CULTURAL AND ENTERTAINMENT DISTRICTS

13 Sec. __. NEW SECTION. 303.3B CULTURAL AND
14 ENTERTAINMENT DISTRICTS.

15 1. The department of cultural affairs shall
16 establish and administer a cultural and entertainment
17 district certification program. The program shall
18 encourage the growth of communities through the
19 development of areas within a city or county for
20 public and private uses related to cultural and
21 entertainment purposes.

22 2. A city or county may create and designate a
23 cultural and entertainment district subject to
24 certification by the department of cultural affairs,
25 in consultation with the department of economic
26 development. A cultural and entertainment district
27 shall consist of a geographic area not exceeding one
28 square mile in size. A cultural and entertainment
29 district certification shall remain in effect for ten
30 years following the date of certification. Two or
31 more cities or counties may apply jointly for
32 certification of a district that extends across a
33 common boundary. Through the adoption of
34 administrative rules, the department of cultural
35 affairs shall develop a certification application for
36 use in the certification process. The provisions of
37 this subsection relating to the adoption of
38 administrative rules shall be construed narrowly.

39 3. The department of cultural affairs shall
40 encourage development projects and activities located
41 in certified cultural and entertainment districts
42 through incentives under cultural grant programs
43 pursuant to section 303.3, chapter 303A, and any other
44 grant programs.

DIVISION __

UNIVERSITY-BASED RESEARCH UTILIZATION PROGRAM

47 Sec. __. NEW SECTION. 262B.11 UNIVERSITY-BASED
48 RESEARCH UTILIZATION PROGRAM.

49 1. The department of economic development shall
50 establish and administer a university-based research

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1 utilization program for purposes of encouraging the
2 utilization of university-based research, primarily in
3 the area of high technology, in new or existing
4 businesses. The program shall include the three
5 universities under the control of the state board of
6 regents and all accredited private universities
7 located in the state.

8 2. A new or existing business that utilizes a
9 technology developed by an employee at a university
10 under the control of the state board of regents may
11 apply to the department of economic development for
12 approval to participate in the university-based
13 research utilization program. The department shall
14 approve an applicant if the applicant meets all of the
15 following criteria:

16 a. The applicant utilizes a technology developed
17 by an employee at a university under the control of
18 the state board of regents, provided that the
19 technology has received a patent after the effective
20 date of this Act. If the applicant has been in
21 existence more than one year prior to applying, the
22 applicant shall organize a separate company to utilize
23 the technology. For purposes of this section, the
24 separate company shall be considered the applicant
25 and, if approved, the approved business.

26 b. The applicant develops a five-year business
27 plan approved by the department. The plan shall
28 include information concerning the applicant's Iowa
29 employment goals and projected impact on the Iowa
30 economy. The department shall only approve plans
31 showing sufficient potential impact on Iowa employment
32 and economic development.

33 c. The applicant meets a minimum-size business
34 standard determined by the department.

35 d. The applicant provides annual reports to the
36 department that include employment statistics for the
37 applicant and the total taxable wages paid to Iowa
38 employees and reported to the department of revenue
39 and finance pursuant to section 422.16.

40 3. A business approved under the program and the
41 university employee responsible for the development of
42 the technology utilized by the approved business shall
43 be eligible for a tax credit. The credit shall be
44 allowed against the taxes imposed in chapter 422,
45 divisions II and III. An individual may claim a tax
46 credit under this section of a partnership, limited
47 liability company, S corporation, estate, or trust
48 electing to have income taxed directly to the
49 individual. The amount claimed by the individual
50 shall be based upon the pro rata share of the

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1 individual's earnings from the partnership, limited
2 liability company, S corporation, estate, or trust. A
3 tax credit shall not be claimed under this subsection
4 unless a tax credit certificate issued by the
5 department of economic development is attached to the
6 taxpayer's tax return for the tax year for which the
7 tax credit is claimed. The amount of a tax credit
8 allowed under this subsection shall equal the amount
9 listed on a tax credit certificate issued by the
10 department of economic development pursuant to
11 subsection 4. A tax credit certificate shall not be
12 transferable. Any tax credit in excess of the
13 taxpayer's liability for the tax year may be credited
14 to the taxpayer's tax liability for the following five
15 years or until depleted, whichever occurs first. A
16 tax credit shall not be carried back to a tax year
17 prior to the tax year in which the taxpayer redeems
18 the tax credit.

19 4. For the five tax years following the tax year
20 in which a business is approved under the program, the
21 department of revenue and finance shall provide the
22 department of economic development with information
23 required by the department of economic development
24 from each tax return filed by the approved business.
25 Upon receiving the tax return-related information, the
26 department of economic development shall do all of the
27 following:

28 a. Review the information provided by the
29 department of revenue and finance pursuant to this
30 subsection and the annual report submitted by the
31 applicant pursuant to subsection 2, paragraph "d". If
32 the department determines that the business activities
33 of the applicant are not providing the benefits to
34 Iowa employment and economic development projected in
35 the applicant's approved five-year business plan, the
36 department shall not issue tax credit certificates for
37 that year to the applicant or university employee and
38 shall determine any related university share to be
39 equal to zero for that year.

40 b. Effective for the fiscal year beginning July 1,
41 2004, and for subsequent fiscal years, issue a tax
42 credit certificate to the approved business and the
43 university employee responsible for the development of
44 the technology utilized by the approved business in an
45 amount determined pursuant to subsection 5. A tax
46 credit certificate shall contain the taxpayer's name,
47 address, tax identification number, the amount of the
48 tax credit, and other information required by the
49 department of revenue and finance.

50 c. (1) Determine the university share which is

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1 equal to the value of thirty percent of the tax
2 liability of the approved business for purposes of
3 making an appropriation pursuant to section 262B.12,
4 if enacted by 2003 Iowa Acts, House File 683 or
5 another Act, to the university where the technology
6 utilized by the approved business was developed. A
7 university share shall not exceed two hundred twenty-
8 five thousand dollars per year per technology
9 utilized. For each technology utilized, the aggregate
10 university share over a five-year period shall not
11 exceed six hundred thousand dollars.

12 (2) The department shall maintain records for each
13 university during each fiscal year regarding the
14 university share each university is entitled to
15 receive through the appropriation in section 262B.12,
16 if enacted by 2003 Iowa Acts, House File 683 or
17 another Act. A university shall be entitled to
18 receive the total university share for that particular
19 university during the previous fiscal year.

20 d. For the fiscal year beginning July 1, 2004, not
21 more than two million dollars worth of certificates
22 shall be issued pursuant to paragraph "b". For the
23 fiscal year beginning July 1, 2005, and every fiscal
24 year thereafter, not more than ten million dollars
25 worth of certificates shall be issued pursuant to
26 paragraph "b".

27 5. The tax credit certificates issued by the
28 department for each of the five years following the
29 tax year in which the business is approved under the
30 program shall be for the following amounts:

31 a. For the approved business, the value of the tax
32 credit certificate shall equal thirty percent of the
33 tax liability of the approved business. The value of
34 a certificate issued to an approved business shall not
35 exceed two hundred twenty-five thousand dollars. The
36 total aggregate value of certificates issued over a
37 five-year period to an approved business shall not
38 exceed six hundred thousand dollars.

39 b. For the university employee responsible for the
40 development of the technology utilized by the approved
41 business, the value of the tax credit certificate
42 shall equal ten percent of the tax liability of the
43 approved business. If more than one employee is
44 responsible for the development of the technology, the
45 value equal to ten percent of the tax liability of the
46 approved business shall be divided equally and
47 individual tax credit certificates shall be issued to
48 each employee responsible for the development of the
49 technology. Each year, the total value of a
50 certificate or certificates issued for a utilized

Page 29

1 technology shall not exceed seventy-five thousand
2 dollars. For each technology utilized, the total
3 aggregate value of certificates issued over a five-
4 year period to the university employee responsible for
5 the development of the technology shall not exceed two
6 hundred thousand dollars.

7 6. The department of economic development shall
8 notify the department of revenue and finance when a
9 tax credit certificate is issued pursuant to
10 subsection 4. The notification shall include the name
11 and tax identification number appearing on any tax
12 credit certificate.

13 Sec. ___. NEW SECTION. 422.11H UNIVERSITY-BASED
14 RESEARCH UTILIZATION PROGRAM TAX CREDIT.

15 The taxes imposed under this division, less the
16 credits allowed under sections 422.12 and 422.12B,
17 shall be reduced by a university-based research
18 utilization program tax credit authorized pursuant to
19 section 262B.11.

20 Sec. ___. Section 422.33, Code 2003, is amended by
21 adding the following new subsection:

22 NEW SUBSECTION. 14. The taxes imposed under this
23 division shall be reduced by a university-based
24 research utilization program tax credit authorized
25 pursuant to section 262B.11."

26 8. Page 65, by inserting after line 15 the
27 following:

28 "Sec. ___. Section 625A.9, Code 2003, is amended
29 to read as follows:

30 625A.9 EXECUTION ON UNSTAYED PART OF JUDGMENT =
31 SUPERSEDEAS BOND WAIVED.

32 1. The taking of the appeal from part of a
33 judgment or order, and the filing of a bond as above
34 directed, does not stay execution as to that part of
35 the judgment or order not appealed from.

36 2. If the judgment or order appealed from is for
37 money, such bond shall not exceed one hundred ten
38 percent of the amount of the money judgment.

39 3. Upon motion and for good cause shown, the
40 district court may stay all proceedings under the
41 order or judgment being appealed and permit the state
42 or any of its political subdivisions to appeal a
43 judgment or order to the supreme court without the
44 filing of a supersedeas bond."

45 9. By striking page 66, line 46 through page 67,
46 line 16.

47 10. Page 67, by inserting after line 44 the
48 following:

49 "Sec. ___. Section 86.12, Code 2003, is amended to
50 read as follows:

Page 30

1 86.12 FAILURE TO REPORT.

2 The workers' compensation commissioner may require
3 any employer to supply the information required by
4 section 86.10 or to file a report required by section
5 86.11 or 86.13 or by agency rule, by written demand
6 sent to the employer's last known address. Upon
7 failure to supply such information or file such report
8 within ~~twenty~~ thirty days, the employer may be ordered
9 to appear and show cause why the employer should not
10 be subject to ~~civil penalty~~ assessment of one ~~hundred~~
11 thousand dollars for each occurrence. Upon such
12 hearing, the workers' compensation commissioner shall
13 enter a finding of fact and may enter an order
14 requiring such ~~penalty~~ assessment to be paid into the
15 second injury fund created by sections 85.63 to 85.69.
16 In the event the ~~civil penalty assessed~~ assessment is
17 not voluntarily paid within thirty days the workers'
18 compensation commissioner may file a certified copy of
19 such finding and order with the clerk of the court for
20 the district in which the employer maintains a place
21 of business. If the employer maintains no place of
22 business in this state service shall be made as
23 provided in chapter 85 for nonresident employers. In
24 such case the finding and order may be filed in any
25 court of competent jurisdiction within this state.

26 The workers' compensation commissioner may
27 thereafter petition the court for entry of judgment
28 upon such order, serving notice of such petition on
29 the employer and any other person in default. If the
30 court finds the order valid, the court shall enter
31 judgment against the person or persons in default for
32 the amount due under the order. No fees shall be
33 required for the filing of the order or for the
34 petition for judgment, or for the entry of judgment or
35 for any enforcement procedure thereupon. No
36 supersedeas shall be granted by any court to a
37 judgment entered under this section.

38 When a report is required under section 86.11 or
39 86.13 or by agency rule, and ~~that report has been~~
40 ~~submitted to the employer's insurance carrier and no~~
41 ~~report of injury has been filed with the workers'~~
42 ~~compensation commissioner~~ possesses the information
43 necessary to file the report, the insurance carrier
44 shall be responsible for filing the report ~~of injury~~
45 in the same manner and to the same extent as an
46 employer under this section.

47 Sec. NEW SECTION. 86.13A COMPLIANCE
48 MONITORING AND ENFORCEMENT.

49 The workers' compensation commissioner shall
50 monitor the rate of compliance of each employer and

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1 each insurer with the requirement to commence benefit
2 payments within the time specified in section 85.30.
3 The commissioner shall determine the percentage of
4 reported injuries where the statutory standard was met
5 and the average number of days that commencement of
6 voluntary benefits was delayed for each employer and
7 each insurer individually, and for all employers and
8 all insurers as separate groups.

9 If during any fiscal year commencing after June 30,
10 2005, the general business practices of an employer or
11 insurer result in the delay of the commencement of
12 voluntary weekly compensation payments after the date
13 specified in section 85.30 more frequently and for a
14 longer number of days than the average number of days
15 for the entire group of employers or insurers, the
16 commissioner may impose an assessment on the employer
17 or insurer payable to the second injury fund created
18 in section 85.66. The amount of the assessment shall
19 be ten dollars, multiplied by the average number of
20 days that weekly compensation payments were delayed
21 after the date specified in section 85.30, and
22 multiplied by the number of injuries the employer or
23 insurer reported during the fiscal year.

24 Notwithstanding the foregoing, an assessment shall not
25 be imposed if the employer or insurer commenced
26 voluntary weekly compensation benefits within the time
27 specified in section 85.30 for more than seventy-five
28 percent of the injuries reported by the employer or
29 insurer.

30 The commissioner may waive or reduce an assessment
31 under this section if an employer or insurer
32 demonstrates to the commissioner that atypical events
33 during the fiscal year, including but not limited to a
34 small number of cases, made the statistical data for
35 that employer or insurer unrepresentative of the
36 actual payout practices of the employer or insurer for
37 that year."

38 11. Page 71, by striking lines 11 through 23.

39 12. By striking page 72, line 18, through page
40 78, line 20.

41 13. Page 78, lines 33 and 34, by striking the
42 words "and school infrastructure assistance,".

43 14. By renumbering as necessary.

Amendment H-1623 was adopted.

On motion by Carroll of Poweshiek the House concurred in the Senate amendment H-1615, as amended.

Carroll of Poweshiek 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. 692)

The ayes were, 51:

Alons	Arnold	Baudler	Boal
Boddicker	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
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	Roberts
Sands	Schickel	Tjepkes	Tymeson
Upmeyer	Van Engelenhoven	Van Fossen, J.K.	Van Fossen, J.R.
Watts	Wildurdyke	Mr. Speaker	
		Rants	

The nays were, 43:

Bell	Berry	Bukta	Dandekar
Davitt	Eichhorn	Fallon	Ford
Gaskill	Greimann	Heddens	Hogg
Hunter	Huser	Jochum	Kuhn
Lensing	Lykam	Mascher	McCarthy
Mertz	Miller	Murphy	Myers
Oldson	Olson, D.	Osterhaus	Petersen
Quirk	Rayhons	Reasoner	Shoultz
Stevens	Struyk	Swaim	Taylor, D.
Taylor, T.	Thomas	Wendt	Whitaker
Whitead	Winckler	Wise	

Absent or not voting, 6:

Boggess	Cohoon	Connors	Foegel
Frevert	Smith		

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 692 be immediately messaged to the Senate.

BILLS SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on May 30, 2003, he approved and transmitted to the Secretary of State the following bills:

House File 329, an Act relating to site preparation for targeted economic development.

House File 391, an Act establishing a pilot program for the development of cogeneration facilities, providing for the development of ratemaking principles and rates for pilot program facilities, and providing for a future repeal.

House File 394, an Act relating to the purposes of the Community Attraction and Tourism program.

House File 583, an Act relating to governmental ethics disclosure reports, including reports related to receptions for members of the General Assembly during session detailing food, beverage, and entertainment received by public officials and public employees, and reports filed by clients of lobbyists before the General Assembly and the Executive Branch pertaining to moneys paid for lobbying purposes.

House File 584, an Act providing for exceptions to liability for certain activities.

House File 644, an Act providing for manure application requirements, providing for fees, making penalties applicable, and providing effective dates.

House File 654, 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.

House File 655, an Act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, and other properly related matters.

House File 672, an Act relating to the regulation of adult day care services, providing for penalties, and providing an effective date.

House File 675, an Act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for fees, and providing penalties.

House File 685, an Act relating to and making appropriations from the Healthy Iowans Tobacco Trust and the Tobacco Settlement Trust Fund.

House File 689, 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.

Senate File 348, 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.

Senate File 354, an Act implementing the federal Indian Child Welfare Act.

Senate File 359, an Act relating to landlords, tenants, and actions for forcible entry or detention and providing a penalty.

Senate File 417, an Act relating to the purchase of a police service dog by the Department of Corrections.

Senate File 422, an Act relating to criminal sentencing and procedure by modifying the penalties for certain offenses related to controlled substances by permitting the reopening of a sentence that requires a maximum accumulation of earned time credits of fifteen percent of the total term of confinement and by changing the parole and work release eligibility of a person serving such a sentence, repealing certain determinate sentences, and providing a penalty.

Senate File 445, 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.

GOVERNOR'S VETO MESSAGE

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Déar Mr. Secretary:

I hereby transmit House File 206, an Act increasing the child age applicable to mandatory reporting of suspected child sexual abuse perpetrated by a person other than the person responsible for the care of the child.

This bill was originally introduced as a single issue bill to broaden the class of mandatory reporters of child sexual abuse, specifically the clergy. I support the original intent of the bill. However, during the legislative process another provision was attached to this bill. This provision raised the age for mandatory reporting of suspected child sexual abuse perpetrated by a non-caretaker of the child.

I am unable to approve House File 206 because of lines 1-13 that raise the age for mandatory reporting of non-caretaker abuse from under 12 to under 16. The motives for such a change are pure to protect our children. However, the consequences of the proposed law would be to make criminals out of the children who need our help, love and attention. This reality will discourage the reporting of abuse and will delay or deny help to those children most in need. Today, under permissive reporting no child is made a criminal and no child is left waiting or wanting help. Permissive reporting allows counselors and other professionals to make informed decisions based on the specific facts and circumstances of the individual they are assisting.

The considerable real life experience of treatment providers and advocates, such as the Iowa Coalition Against Sexual Assault, indicates that many young people will not seek counseling or assistance, or even basic medical care, for date rape and similar crimes if they believe the assault will automatically be reported. For a variety of reasons, some young victims do not want to become part of the DHS "system." Mandatory reporting will have a profoundly chilling effect on these victims, and may endanger their physical and mental well-being by dissuading them from seeking assistance.

Sexual abuse has the lowest reporting rate of any crime, due to a host of factors including the extremely personal nature of the assault, embarrassment, fear, and concerns that the victim will not be believed or will be socially stigmatized. Requiring mandatory reporting for non-caretaker abuse of 12 to 15 year olds will unwittingly set up yet another roadblock for young teens struggling to muster up the courage to seek the medical care and other services they need.

Under the law as it currently stands, service providers have discretion in these situations. Most reporters will report, permissively, many types of non-caregiver abuse. There are many instances in which reporting truly is in the best interest of the minor victim. However, in certain discrete circumstances, reporting may not be the most helpful option for minors aged 12-15. Permissive reporting allows for intelligent, sensitive decision making by trained reporters, rather than reactionary, automatic reporting without regard to individual needs. Of course, for victims under age 12, both caretaker and non-caretaker abuse trigger mandatory reporting under current law. This is because there is a presumption that DHS involvement is needed due to the extreme youth of the child.

The United States Conference of Catholic Bishops has set forth guidelines in a revised edition of its Charter for the Protection of Children and Young People. These policy guidelines state that dioceses will report an allegation of sexual abuse of a person who is a minor to the public authorities and that they will comply with all applicable civil laws with respect to the reporting of these allegations. Furthermore, in every instance, the dioceses are to advise victims of their right to make a report to public authorities and will support this right. In view of the fact this veto includes the mandatory-reporting-by-clergy provision, I encourage all religious organizations, who have not already done so, to develop similar strong permissive reporting policies. I also encourage the legislature next year to pass legislation consistent with the original intent of House File 206 by broadening the class of mandatory reporters of child sexual abuse to include the clergy.

For the above reasons, I hereby respectfully disapprove House File 206.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit House File 450, an Act creating an exception to the statutory rule against perpetuities and making related changes.

This Act would suspend the application of the rule against perpetuities with respect to any interest in real or personal property held in trust if the instrument creating the trust specifically states that the rule against perpetuities does not apply and either the trustee of the trust has unlimited power to sell all trust assets, or one or more persons, one of whom may be the trustee, has unlimited power to terminate the entire trust. This Act would also suspend the application of the rule against perpetuities with respect to any trust of real or personal property created by an employer as part of a stock bonus plan, profiting sharing plan, pension plan, disability benefit plan, or death benefit plan for the benefit of the employer's employees for the purpose of distributing to the employees or their beneficiaries the earnings or the principal, or both, of such trust.

The rule against perpetuities is a common law rule that invalidates future interests in property unless that interest must vest, if at all, not later than 21 years, plus period of gestation, after some life or lives in being at the time of the creation of the interest. The courts of England adopted the rule against perpetuities in the seventeenth century in part to promote the efficient use of property among living persons.

In 1983, the Iowa Legislature reformed the common-law application of the rule against perpetuities by codifying two mechanisms that provided greater flexibility to trust instruments. Under a newly-fashioned "wait-and-see" approach, courts were empowered to monitor all non-vested future interests to determine if they would, in fact, actually vest within the permissible statutory period under the rule against perpetuities. If so, such non-vested future interests could be deemed to be valid under the rule. This provision modified the "might-have-been" approach under the common law rule, which invalidated all non-vested future interests if, based upon facts in existence at the time the interest was created, the possibility existed that the non-vested interest might vest after the permissible period had run. The legislation also adopted the cy pres doctrine, which empowered courts to reform a non-vested interest to ensure that it vests within the permissible time period if such a modification would more accurately reflect the intent of the creator of the future interest.

The rule against perpetuities, and legislation adopted in 1983 to add flexibility to the rule, strikes a fair balance between the interests of present generations who may wish to influence the future use and alienability of property, and succeeding generations who may wish to utilize and enjoy property that is not encumbered by their ancestors. These provisions seek to maximize the market forces that interact with property placed into a trust to promote the efficient and effective usage of that property. House file 450 would disrupt the balance between current and future interests by permitting individuals to create a class of trusts that are not subject

to the rule against perpetuities, thereby further insulating property from the efficient influences of market forces.

For the above reasons, I hereby respectfully disapprove House File 450.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 173, an Act authorizing school districts to deduct and pay fees for membership in not-for-profit professional education associations.

Iowa school districts continue to deal with increasing costs, additional burdens from the No Child Let Behind Law, and less money to accomplish necessary results. Therefore, I am unable to approve the language because this bill adds to that increased burden by requiring additional payroll deductions. Also, the definition of professional education association is too broad. This will lead to abuse and/or litigation regarding the discretion of districts to define the term "professional education association."

For the above reasons, I hereby respectfully disapprove Senate File 173.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 343, an Act relating to operation permits for public disposal systems and providing an effective date.

I am unable to approve Senate File 343, which would exempt publicly owned wastewater treatment facilities from obtaining or complying with National Pollution Discharge Elimination System permits in response to a change by the Environmental Protection Commission in the use designation of a cold water stream receiving the discharge of the disposal system until the Commission adopts by rule methods for the review of use designations of cold water streams.

I have several concerns with this bill. First, it states that a publicly owned treatment works does not have to obtain a permit under certain conditions. Both existing state and federal law require that these permits be issued to these treatment works. The state cannot, by statute or rule, create a situation where unauthorized discharges are allowed. To legislate in this manner would unduly jeopardize the permitting authority currently delegated to the state by an agreement with the U.S. Environmental Protection Agency.

Second, this bill is aimed at only cold water streams and not streams with other classifications. Legislation related to the operation of public disposal systems should address all public disposal systems, not just those that discharge to cold water streams.

Third, Senate File 343 is an attempt to address the problem of stream classification faced by a specific city. The legislation is now unnecessary because of steps being taken by the Department of Natural Resources (DNR). DNR is currently working on a scientifically sound system of reclassifying the use designations of streams in Iowa. The Department is doing this work using a technical advisory committee of experts, affected industries and public entities. The DNR's approach more comprehensively and appropriately addresses the problem that the bill attempts to address. Furthermore, DNR has agreed to grant the city in question a permit under the existing system, with DNR reserving the right to review the permit if classifications are changed in the future.

I have made it a priority to protect and improve the water quality of our rivers, lakes and streams. In my Condition of the State Address this year, I made it part of my leadership agenda to eliminate the state's impaired waterways by 2010. Later this year, we will hold a Water Quality Summit to bring stakeholders together to start taking important steps to better protect our water resources. Protecting our water resources ensures that Iowans have safe drinking water as well as recreational and tourism opportunities that we cherish. This bill is unnecessary and contradicts our goal of protecting Iowa's waterways and water resources.

For the above reasons, I hereby respectfully disapprove Senate File 343.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit Senate File 390, an Act relating to procedures for local government consolidation (charter government) and allowing the formation of local government empowerment committees.

Although I am supportive of charter governments in theory and agree that some local government mergers could reduce bureaucracy, streamline services, and save significant taxpayer dollars, I am unable to approve Senate File 390.

Current law allows for the formation of new relationships between local governments. Government at any level should adhere to the American ideal of, *for and by the people*. Senate File 390 seeks to fundamentally change the way elections may be held at the local level without securing first the consent of the governed. For this most basic respect the bill is fatally flawed.

This act also limits the creation of a local government organization review committee to only counties with a population in excess of 100,000. Creating one process for large urban counties and not allowing small rural counties to form committees unnecessarily discriminates between local governments located in urban and rural areas. We are and should always be one Iowa. This important value is compromised in Senate File 390.

For the above reasons, I hereby disapprove Senate File 390.

Sincerely,
Thomas J. Vilsack
Governor

GOVERNOR'S ITEM VETO MESSAGES

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit House File 549, an Act relating to the duties and operations of the Department of Education, the Board of Educational Examiners, the State Board of Regents and its universities, and school boards, and to property tax school reorganization incentives; requiring the establishment of a reading instruction pilot program; and including effective and retroactive applicability date provisions.

House File 549 is vitally important for education in Iowa. This bill expands the current data management system to meet the federal requirements of the No Child Left Behind initiative. It also extends the K-3 Class Size reduction program for an additional fiscal year. While this falls short of my recommendation, it allows us to continue working toward the goal of reducing K-3 class sizes to 17 students per teacher. House File 549 expands reorganization incentives for K-12 school districts and makes several changes to clarify the reorganization process for AEAs. It also makes necessary Code changes to the teacher quality program.

House File 549 is approved on this date, with the following exceptions, which I hereby disapprove.

I am unable to approve the items designated as Section 5. This section requires the Department of Education to develop and implement a statewide program for educational assessment reporting and to use this information for a statewide report card. The text of paragraph "c" which describes the "single value added system" requires the use of a proprietary system. I do not believe that it is in the best interest of school districts and the Department of Education to mandate a reporting system that is redundant to the requirement of the No Child Left Behind Act. I also do not support the mandate that all districts and the Department of Education must use a single proprietary system for analysis and reporting of assessment results.

I am unable to approve the designated portion of Section 51 which removes the contract requirement for part-time and substitute bus drivers. The current law provides for a standard uniform contract for all drivers of school-owned equipment. This language eliminates secure employment relationships for bus drivers who are often responsible for the safety of our children.

I am unable to approve the items designated as Section 69 and Section 71, subsection 3. Section 69 requires the Department of Education to establish and administer a reading instruction pilot program beginning in the fall of 2003. A considerable effort is currently underway in the Department of Education given the requirements of the federally funded reading program, Reading First. The Reading First program will in the 2003-2004 school year involve 30 school districts across the state to improve reading skills. The federal program guidelines and evaluation requirements are very similar to the requirements in Section 69. The proposed reading program would duplicate current efforts and it is also very late for a district to plan to participate in a new program this fall.

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 549 are hereby approved as this date.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit House File 662, an Act relating to the funding of, the operation of and appropriation of moneys to the College Student Aid Commission, the Department of 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.

House File 662 provides funding to help achieve the ambitious goals we have set for education in Iowa. I am particularly pleased with the continued commitment to reduce class sizes, redesign teacher compensation strategies, increase Iowa Tuition Grant

funding, maintain quality faculty and staff at our state's Regents institutions, and provide support for community colleges.

There are, however, shortcomings in this legislation. I am disappointed that the college work-study program was not reinstated. The Iowa Work Study program is a great tool to help disadvantaged students work their way through our public universities, community colleges, and independent colleges. In addition, no funding was provided to start the Iowa Virtual Academy. I hope the legislature will address these areas in the future.

House File 662 is, approved on this date, with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of Section 9, subsection 1. This sentence specifies that the Board of Regents, the Department of Management and the Fiscal Bureau shall cooperate to determine the amount to be appropriated for tuition replacement. This language is outdated and unnecessary as the Board of Regents now relies on a financial advisor to calculate figures for tuition replacement.

I am unable to approve the designated portion of Section 9, subsection 2. This paragraph restricts spending on the School of Public Health and the Public Health Initiative at the University of Iowa. If we face a growing need for workers trained in these health professions and for the services provided by this program, then it is appropriate to allow reallocations of funds to the school of public health from other areas, rather than single this out as the one area at the University of Iowa to have its budget capped at its previous level.

I am unable to approve the designated portion of Section 9, subsection 3. This language restricts spending on the Center for Excellence in Fundamental Plant Sciences at Iowa State University and does not permit this program to receive either its share of dollars for salary increases or internal reallocations of funds from other university programs. If we are committed to making Iowa a leader in plant sciences technologies then it is unreasonable to single this out as the one center at Iowa State University to have its budget frozen.

I am unable to approve the designated portion of Section 9, subsection 4. This language restricts spending on the masters in social work program, the roadside vegetation project, and the Iowa office for staff development at the University of Northern Iowa. There is no reason to single these three areas out to be treated differently from all the other programs and activities at the University of Northern Iowa.

I am unable to approve Section 18 in its entirety. This veto is a technical correction. This section conflicts with Senate File 458, section 117 which also changes the paragraph lettering in Iowa Code section 284.13, subsection 1, paragraph g.

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 662 are hereby approved as of this date.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 433, 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 for the fiscal year beginning July 1, 2003.

Senate File 433 continues current levels of funding for the World Food Prize and the workforce development fund account. It maintains funding for immigration service centers and provides a small increase to fund operations of the Public Employment Relations Board.

This administration has made clear from the first day of the 2003 Session that our top priority is transforming Iowa's economy. This goal, which we share with a majority of legislators from both parties, can only be accomplished with a significant investment in Iowa's future - an investment that is provided through the Iowa Values Fund. While Senate File 433 funds some important services Iowans rely on everyday, it is completely inadequate and does not provide the commitment this state needs to retain our current employers, attract new businesses, incent business expansion, and create the high-paying jobs needed to keep our children and grandchildren living here.

It is vital the Legislature take action immediately to approve an Iowa Values Fund to send a strong message that Iowa is open for business. In the meantime, we must continue to provide the services that are funded through this bill. Senate File 433 is, therefore, signed on this date with the following exceptions, which I hereby disapprove:

I am unable to approve the item designated as Section 1, subsection 3. As I indicated last year, the Accountable Government Act establishes a comprehensive, enterprise-wide process for setting program goals and establishing results measures. These measures have been developed with data currently being compiled. This section would create redundancies in the development and reporting of goals and results measurements for the Department of Economic Development.

I am unable to approved the designated portion of Section 10, subsection 2. This would require that small business development centers be located equally throughout the different regions of the state. This bill contains no instruction as to the legislative meaning or intent of "located equally throughout the different regions of the state." As such, the bill is terminally vague making compliance impossible.

I am unable to approve the items designated as Section 10, subsection 3, paragraph b, Section 11, subsection 2, paragraph b, and Section 12, subsection 2, paragraph b. These sections would require any business or individual receiving benefits from specified Regent programs to have a commercially viable service or product. This legislative mandate would have an unacceptable dulling effect on innovation. Iowa should be encouraging entrepreneurship. This section of Senate File 433 would have the opposite impact.

I am unable to approve the designated portion of Section 15, subsection 2. This would restrict the expenditure of additional penalty and interest revenues to accomplish the mission of the department to provide safe workplaces and steady employment. The director of the Department of Workforce Development currently has the authority to reassign unused penalty and interest funds. We must maintain that flexibility to reallocate dollars when needed to ensure the safety and employment security of working Iowans.

I am unable to approve the item designated as Section 20. Expenditure information for executive branch agencies of state government is currently available to the economic development appropriations subcommittees and the Legislative Fiscal Bureau on a daily basis through the Iowa Financial and Accounting System. The Legislative Fiscal Bureau also has the authority to request expenditure information from Regent universities. The reporting requirement in this section would duplicate existing data and place an unneeded and unprecedented requirement on limited staff resources.

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 Senate File 433 are hereby approved as this date.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 452, 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.

Senate File 452 is, approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the items designated as Division IV, Sections 28, 29 and 30 in their entirety. These sections would require the establishment of a parking fee for the Capitol complex parking structure located at Pennsylvania and Grand Avenues. Iowans should be encouraged to participate in their democracy by parking free to visit their State Capitol and the state office buildings surrounding their State Capitol. Charging parking fees to the newly constructed parking structure located at Pennsylvania and Grand Avenues operates as a hidden tax for the visiting public and would discourage some from exercising their fundamental rights as citizens. Such a fee should not have been and will not be sanctioned or approved.

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 Senate File 452 are hereby approved as this date.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit Senate File 453, 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.

I hereby approve Senate File 453 on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portions of Section 31, subsection 1. These items deal with the allocation of the reduction in appropriations to the three Regent universities. It is important that the Board of Regents have the complete flexibility in making these reductions across their appropriations.

I am unable to approve the item designated as Section 31, subsection 2. This subsection sets up a legislative interim committee study on a policy option of levying charges for capital assets against all state agencies. I have previously stated that I do not support this idea and, therefore, do not support the study.

I am unable to approve the item designated as Section 38 in its entirety. This section requires the Department of Education to establish a task force to conduct several studies regarding the structure, funding of area education agencies and the delivery of media services, educational services, and special education services. The section also requires a study of special education, including identification and remediation procedures, the early intervention block grant program, intensive instruction and tutoring, and reading instruction.

These studies would duplicate work already completed and are unnecessary. Thanks to the cooperative efforts of area education agencies, school districts, and the department of education studies have already been undertaken and recommendations for improvement have been implemented. In addition an accreditation process has been established improving accountability and the efficient and quality services. One third of the AEAs are in the process of merging next year and this will create additional efficiencies. I agree that resources needed for special education requires special attention and thus I am recommending that the department of education establish a task force to review special education finance.

At the beginning of this legislative session, it was clear that although our fiscal difficulties were not as severe as many other states, Iowa was facing a budget shortfall. Given that the budget must be balanced, we know that those tasked with the responsibility of balancing the budget would inevitably reduce aid to local government. We worked with legislative leaders to make sure that the reforms included in Senate File 453 would give real hope to Iowans that some services can be improved even as less money is spent.

Additionally, my office worked hard to ensure that the federal stimulus package included direct fiscal relief for states and cities to help lessen the burden imposed by Senate File 453. While the federal stimulus package passed last week included \$189 million in aid to Iowa, the Legislature has indicated they will not direct any of those vital dollars to cities and counties.

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 Senate File 453 are hereby approved as this date.

Sincerely,
Thomas J. Vilsack
Governor

May 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 458, 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.

Senate File 458 is approved on this date with the following exceptions, which I hereby disapprove:

I am unable to approve the item designated as Section 13 in its entirety. This section prohibits local governments from prorating state funded property tax credits to taxpayers based upon the amount of the appropriations available in relation to total credit claims. I am concerned that this provision would further reduce funding for local governments, beyond the significant reductions that have already been made.

I am unable to approve the item designated as Section 23 in its entirety. This language creates a new funding stream for a single county hospital. I am sympathetic to the struggle of a hospital providing services to the poor and needy. However, creating an inequity is no way to properly help a struggling hospital. Appropriate Medicare reimbursement is a more appropriate remedy for the ills of a struggling hospital.

I am unable to approve the item designated as Section 103 in its entirety. This section places sanctions based on the performance, or lack of performance, on outcomes for young children. This appears to set the stage for increased pressure of inappropriate assessment of young children as well as unrealistic expectations on Community Empowerment Areas to show a percent of improvement. In addition, the language regarding penalties by a reduction in funds for not meeting an established percent improvement does not support the purpose or intent of Community Empowerment.

I am unable to approve the items designated as Sections 106, 107, and 153 in their entirety. This language would change the merit status of the Iowa Law Enforcement Academy's director. This change is punitive and unnecessarily would destabilize the position and the work of the director.

I am unable to approve the item designated as Section 110 in its entirety. American justice requires that those wrongly injured by the negligence of others have the right to fully recover any damages for their injuries. No system of justice can reverse the physical effects of an injury, but justice can be served when an injured party is made financially whole. Section 110 creates a privileged class of wrongdoers — those who hurt an injure attendees at a county fair. Efforts to create such a special class of wrongdoers that is immune from suit in a budget bill adds insult to injury.

I am unable to approve the item designated as Section 133 in its entirety, which will allow the sanitary landfills with an active methane collection system to accept yard waste. This action will be a major step backwards for integrated solid waste management creating a need for communities to expand existing facilities or find new property for landfills. Yard waste is best managed at a composting facility and is one of the keys in improving Iowa's water quality. Collecting methane from landfills is still relatively inefficient. As urged by numerous recycling groups who support integrated solid waste management, pollution is best prevented by not disposing of yard waste at a landfill.

I am unable to approve the item designated as Section 145 in its entirety. This proposed language undermines the existing process that already exists in Code of Iowa (904.76) authority to sell land. This process can be utilized for any possible land purchases and must be maintained to ensure the security needs and future long-term needs of the department that may arise.

I am unable to approve the item designated in Section 146 in its entirety. This language directs the Department of Revenue and Finance to pay a claim that has been denied. An appeal was heard and a decision rendered denying the claim. The integrity of the State Appeal Board must not and will not be compromised.

I am unable to approve the item designated as Section 147 in its entirety. This language directs the State Appeal Board to pay a claim that had been denied. The Department of Education previously denied the claim. No appeal was filed and the time expired to do so. The integrity of the State claims process must not and will not be compromised. This section appears to infringe on the authority of the executive branch and State Appeal Board.

I am unable to approve the item designated as Section 151. This section provides funding from team-based variable pay moneys for a reading instruction pilot program.

This proposed program would duplicate current efforts under the federally funded reading program, Reading First, and take critical funding away from the team based variable pay program.

I am unable to approve the item designated as Division VII, Section 156, subsection 4, 7 and 8 in their entirety. These sections deal with smallpox vaccinations. Subsection 4 would require a set aside of Homeland Security federal funds for an unauthorized purpose. Subsection 7 requires vaccinations to be administered by a specific process which at this time is not approved by the FDA. Subsection 8 gives inappropriate duties and responsibilities for the coordination of vaccines and pharmaceuticals to the Emergency Management Division. Such supplies should emanate from the Center for Disease Control to the Health Department.

I am unable to approve the item designated as Division IX of Senate File 458, which provides a process for the privatization of the Iowa Communications Network (ICN), in its entirety. The design and implementation of the ICN does not easily support privatization. Careful study of a plan to privatize the network should be done with consideration of the network architecture, critical facilities, as well as the impact to education and homeland security.

Education has been and continues to be one of the highest priorities of this administration. I do not believe that potential adverse impacts on our State's education system were given adequate, if any, consideration. All levels of education depend upon the ICN for provision of education throughout Iowa. The ICN also plays a vital role in our state's homeland security. All homeland security functions would need to be maintained. In some cases, this would require new federal waivers and new agreements involving federal departments. These may not be easily forthcoming.

An issue of the magnitude of the State's fiber optic network should be worked through the legislative process as a separate bill, receiving full consideration by committees and adequate information for full debate. This amendment was attached during the final hours of the legislative session and left inadequate time for the public including authorized users, the Commission or ICN staff to provide information to policy makers in order for them to make a fully informed decision.

I am unable to approve the item designated as Section 179 in its entirety. This section limits the creation of a local government organization review committee to only counties with a population in excess of 100,000. Crating one process for large urban counties and not allowing small rural counties unnecessarily discriminates between local governments located in urban and rural areas. We are and should always be one Iowa. This important value is compromised in Section 179.

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 Senate File 458 are hereby approved as this date.

Sincerely,
Thomas J. Vilsack
Governor

RESOLUTION FILED

HCR 24, by Rants and Myers, a concurrent resolution to provide for adjournment sine die

Laid over under **Rule 25.**

On motion by Gipp of Winneshiek the House adjourned at 1:47 a.m., until 10:00 a.m., Wednesday, June 4, 2003.

JOURNAL OF THE HOUSE

Seventh Calendar Day - Fifth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Wednesday, June 4, 2003

The House met pursuant to adjournment at 10:03 a.m., Speaker Rants in the chair.

The Journal of Tuesday, June 3, 2003 was approved.

ADOPTION OF HOUSE CONCURRENT RESOLUTION 24

Lukan of Dubuque asked and received unanimous consent for the immediate consideration of **House Concurrent Resolution 24** as follows, and moved its adoption.

- 1 House Concurrent Resolution 24
- 2 By Rants and Myers
- 3 A House Concurrent Resolution to provide for
- 4 adjournment sine die.
- 5 *Be It Resolved By The House Of Representatives, The*
- 6 *Senate Concurring, That when adjournment is had on*
- 7 *Wednesday, June 4, 2003, it shall be the final*
- 8 *adjournment of the 2003 Extraordinary Session of the*
- 9 *Eightieth General Assembly.*

The motion prevailed and the resolution was adopted.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House Concurrent Resolution 24** be immediately messaged to the Senate.

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 June 4, 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 692, a bill for an act relating to taxation of property and income and including effective date and applicability date provisions.

Also: That the Senate has on June 4, 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 683, a bill for an act relating to economic development by creating an Iowa values board and Iowa values fund, providing for the issuance of tax-exempt bonds, 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, providing for a streamlined sales and use tax law, making appropriations, and including effective date and retroactive applicability provisions.

Also: That the Senate has on June 4, 2003, adopted the following resolution in which the concurrence of the Senate was asked:

House Concurrent Resolution 24, a House Concurrent Resolution to provide for adjournment sine die.

MICHAEL E. MARSHALL, Secretary

MESSAGE TO THE GOVERNOR AND TO THE SENATE

Lukan of Dubuque moved that the Chief Clerk of the House be directed to send a written message to the Governor and to the Senate informing them that the House of Representatives was prepared to adjourn sine die pursuant to House Concurrent Resolution 24.

The motion prevailed.

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 683

1. Page 115, line 3 – Replace period with colon after "as follows".

House File 692

1. Page 85, line 22 – Delete "as follows".

MARGARET A. THOMSON
Chief Clerk of the House

Report adopted.

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 the 4th day of June, 2003: House Files 614, 683 and 692.

MARGARET A. THOMSON
Chief Clerk of the House

COMMUNICATIONS RECEIVED

The following communications were received and filed in the office of the Chief Clerk:

DEPARTMENT OF PUBLIC HEALTH

Termination of Pregnancy Report, pursuant to Chapter 144.29A, Code of Iowa.

CIVIL RIGHTS COMMISSION

Annual report for Fiscal Year 2002, pursuant to Chapter 216.5(7), Code of Iowa.

FINAL ADJOURNMENT

By virtue of House Concurrent Resolution 24, duly adopted, the day of June 4, 2003 having arrived the Speaker of the House, Christopher Rants, declared the 2003 Extraordinary Session of the House of Representatives of the Eightieth General Assembly adjourned sine die at 10:13 a.m.

SUPPLEMENT TO HOUSE JOURNAL

GOVERNOR'S VETO MESSAGE

A copy of the following communication was received and placed on file:

June 30, 2003

The Honorable Chester Culver
Secretary of State
State Capitol
L O C A L

Dear Mr. Secretary:

I hereby transmit House File 614, an Act relating to elections and vote registration by implementing requirements of federal law, creating a planning and implementation committee, modifying closing hours of the polls, and making changes relating to absentee voting procedures, including request and delivery of absentee ballot applications, delivery of absentee ballots to the vote, and delivery of completed absentee ballots to the county commission of elections, and including effective date provisions.

The federal Help America Vote Act of 2002 (HAVA), a sweeping election reform package passed by the U.S. Congress with strong bipartisan support in response to problems with the 2000 presidential election, is intended to help Americans vote. It sets specific requirements related to provisional balloting, voting equipment, disability access, statewide voter registration databases, and voter identification. It is about improving voting technology, upgrading election official training, and providing for voter education. It is not about purely partisan political gain by one political party or another or about making it more difficult for our citizens to vote.

By extension and logic, any state bill to adopt provisions of the new federal law should not be more restrictive. Doing so violates the objective and spirit of HAVA – making it easier to vote. Instead, the Republican Legislature insisted on making House File 614 a partisan bill that makes it harder, not easier, to vote. Closing the polls earlier and putting restrictions on absentee ballots are inconsistent with the federal law.

When we live in a state and country where less than 50 percent of eligible voters are registered to vote and less than 50 percent of those registered actually make an effort to vote, I believe we should be examining ways to make it easier for our citizens to participate in the election process. As president John F. Kennedy said, "The right to vote in a free American election is the most powerful and precious right in the world."

My office made every conceivable effort to convey to the Legislature my concerns about House File 614. Over the two-to-three months leading up to the 2003 Special Session, I made it clear, in my private conversations with the legislative leaders and in my public statements, that the Legislature should not pass a bill that is more

restrictive on the ability of citizens to vote than the federal HAVA and that does not appropriate the necessary state matching funds to obtain federal funds to help implement the new federal voting requirements.

Iowa could receive up to \$35 million in federal funds to implement HAVA. No state match is required on the first \$5 million, which Iowa has already received, and Iowa is required to put up a state match of \$1.5 million in order to receive the balance of up to \$30 million over three fiscal years. I am particularly dismayed that the Republican leadership did not have the foresight and common sense to appropriate state matching funds in House File 614 or elsewhere for the state to qualify for additional federal funds. The Legislature should have appropriated those funds rather than create an unfunded federal mandate for counties. This is shortsighted and will necessitate a supplemental appropriation next year. At a time when Iowa, like every other state, is experiencing declining revenues from the national economic recession, the Legislature should be concerned about leveraging federal dollars.

Many of the arguments raised by supporters of House File 614 are apparently based on concerns about Iowa's voting system. Like most Iowans, I believe those concerns are unfounded. We in Iowa can be proud of a system that is fair, lawful, and provides clean elections. In fact, a Des Moines Register poll last November indicated that most Iowans trust our voting system, with 29 percent giving the system the highest possible score and another 54 percent rating it just slightly less positively.

I do not support Section 3 that prescribes an entirely new state plan advisory committee to be appointed by the Governor with confirmation by the Senate. This new committee will most likely not be able to meet the state and federal publication and comment requirements and have a plan completed by September 30, 2003, as required in order to obtain federal funds. A State planning advisory committee has already been meeting since February 28, 2003, to prepare a state plan. This plan has been completed, published, and is currently receiving public comment.

I do not support Section 20 that, in part, reduces Iowans access to voting by closing the polls at 8:00 p.m. rather than the current 9:00 p.m. In the 2002 general elections, it is estimated that over 5,000 additional Iowans voted during the last hour. Why make it more difficult for so many of our working Iowans and working single mothers - for instance, those who may not be able to vote early in the morning - to vote. We should not.

I do not support Division II that places, in part, unnecessary restrictions on absentee voting. The Division reduces the time period during which a registered voter can request an absentee ballot to only 70 days before the election. This restriction would make it more difficult for our senior citizens and others to vote. During the summer of 2002, for instance, over 50,000 Independent, Republican and Democratic voters requested absentee ballots for the 2002 General Election. Under House File 614, those applications would have been returned without an absentee ballot. Additionally, this Division establishes an absentee ballot courier who is authorized to deliver absentee ballot applications to applicants. This provision places additional financial burdens on counties to train the couriers, which I believe is unwise.

For the above reasons, I hereby respectfully disapprove House File 614.

Sincerely,
Thomas J. Vilsack
Governor

GOVERNOR'S ITEM VETO MESSAGE

June 19, 2003

The Honorable Chester Culver
Secretary of State
State Capitol
LOCAL

Dear Mr. Secretary:

I hereby transmit House Files 683, an Act relating to economic development, financial, taxation, and regulatory matters, making and revising appropriations, modifying penalties, providing a fee, and including effective, applicability, and retroactive applicability provisions.

House Files 683 is approved on this date with the following exceptions, which I hereby disapprove:

I am unable to approve the item designated as Section 96, subsection 68, in its entirety. These paragraphs conform the postponement of the phase-out of the sales tax on residential utilities with the streamlined sales tax initiative. I have item vetoed the postponing of this tax cut, so this language is unnecessary. I will recommend language to the next legislature in January 2004 to bring our continued reduction in the sales tax on residential utilities into alignment with the streamlined sales tax initiative.

I am unable to approve the items designated as Division 15 that consists of 206-208 in their entirety. These sections would require the establishment of a parking fee for the State Capitol Complex Parking Structure located at Pennsylvania and Grand Avenues in Des Moines for only those citizens who work for the State of Iowa. I had earlier vetoed similar language in Senate File 452 because I do not think it is appropriate to charge such fees to citizens who would use this facility to visit the State Capitol. My earlier concern still exists because we should not discriminate against our state employees, who are Iowa citizens. Additionally, since we make free parking available to state employees elsewhere around the State Capitol Complex, creating a system where some state employees are charged a parking fee and other state employees can park for free is not equitable. Therefore, such a fee should not be approved.

For the above reasons, I respectfully disapprove these items in accordance with Article 3 Section 16 of the Constitution of the State of Iowa. All other items in House File 683 are hereby approved as of this date.

Sincerely,
Thomas J. Vilsack
Governor

June 19, 2003

The Honorable Chester Culver
Secretary of State
State Capitol
L O C A L
Dear Mr. Secretary:

I hereby transmit House File 692, an Act concerning regulatory, taxation, and statutory requirements affecting individuals and business relating to taxation of property, income and utilities, liability reform, workers' compensation, financial services, unemployment compensation, employer surcharges, economic development, and including effective date, applicability, and retroactive applicability provisions.

House File 692 is approved on this date with the following exceptions, which I hereby disapprove:

I am unable to approve the items designated as Division II, III, and IV that consists of Sections 44 through 72, in their entirety. These sections would provide for a reduction in personal income taxes. I have repeatedly called on legislative leaders to reform and simplify the Iowa personal income tax code in a manner that would be revenue neutral. I laid out very clear parameters. I specifically told the Legislature I would not sign any personal income tax reduction that jeopardizes our ability to educate our children, provide health care to our senior citizens and families, protect our natural resources, and maintain the public safety.

Instead of reforming our tax system, which is still needed, the Legislature's plan would ultimately cost an estimated \$310 million with no reliable and fair source of state revenue to replace the lost dollars at a time when all sectors of our state, like other states, are adversely affected by the national economic downturn. This would jeopardize the delivery of state services and would severely hinder budget planning in the future. It does not even provide any meaningful tax relief to lower-income Iowans who would receive refunds of between only 3 cents and 50 cents per week under this plan. The cuts in personal income taxes are really nothing more than cuts in services to all Iowans.

I am unable to approve the item designated as Section 99 in its entirety. This section which directs the creation of two technology transfer advisors in the office of the governor. The governor's office performs many functions in a variety of different areas. The present staff is assigned to duties and receives administrative support in a manner that assures the efficient functioning of this office. Section 99 would disrupt the administration of this office and affect the delivery of services to the state. Furthermore, I believe the office of the governor should be able to control the administration of its funds and decide how best to staff its office. Section 99 would diminish this control by imposing on the governor's staffing and administrative decisions.

I am unable to approve the item designated as Section 108, which requires the Department of Economic Development to collect data about companies that considered locating in Iowa but decided to locate elsewhere, in its entirety. Requiring collection of such data would impose an additional burden on the Department of Economic

Development and its resources and adversely impact the department's efficient delivery of services to the public.

I am unable to approve the items designated as Sections 116-120 in their entirety. The Sections will make it much harder to hold those who hurt others with unsafe products, on particularly egregious conduct, accountable for the harm they cause. I am not persuaded by the argument that Iowa has a poor business climate. Those who advance such an argument discount the work of highly productive Iowa workers and the study prepared by the U.S. Chamber of Commerce ranking Iowa third best liability climate.

I am unable to approve the item designated as Section 121 in its entirety. While I appreciate the need for continued improvement to our workers compensation system to maintain a just and balanced approach, Section 121 overreaches. A worker injured multiple times could be significantly under compensated for his or her injuries under Section 121. Section 121 in its current form destroys the just and balanced approach, which should be our goal.

I am unable to approve the item designated as Division XX that consists of Section 132, in its entirety. Section 132 postpones the phase out of the sales tax on residential utilities passed by the Iowa Legislature in 2001. The utility sales tax cut, as promised in current law, reflected recognition by the legislature that escalating energy costs hit all consumers hard. Postponing the phase out of the utility tax will unnecessarily increase the utility bills of low-and middle-income Iowans, at a time when heating prices are expected to rise dramatically next winter.

I invite the legislature to work in a bipartisan way to reform our income tax system and work for common sense improvements to our civil justice system and workers compensation system.

For the above reasons, I respectfully disapprove these items in accordance with Article 3 Section 16 of the Constitution of the State of Iowa. All other items in House File 692 are hereby approved as of this date.

Sincerely,
Thomas J. Vilsack
Governor

RESIGNATIONS RECEIVED

Copies of the following communications were received and placed on file in the office of the Chief Clerk:

May 9, 2003

The Honorable Thomas J. Vilsack
Governor, State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Governor Vilsack:

During the past ten years it has been my honor to represent the citizens of Johnson County. However, the time has come for me to make the decision to retire as State Representative and Minority Leader.

I ask that this resignation be effective on July 1, 2003.

Sincerely,
Richard E. Myers
State Representative

June 19, 2003

The Honorable Thomas J. Vilsack
Governor, State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Governor Vilsack:

With this letter, I respectfully resign from the Iowa House of Representatives, effective June 19, 2003.

It has been an honor to serve the citizens of Carter Lake, Council Bluffs and Iowa as State Representative. It has also been a privilege for me to serve with you during your terms as Governor. Despite our differences and party affiliations, we share a common commitment to Iowa. The time has come, however, for me to pursue other professional and personal interests.

Thank you for the commitment of you and your family in serving our State.

Respectfully,
Brad Hansen
State Representative

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

Page 2

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

Page 2

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

Page 3

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 ENGELHOFEN 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^m

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

Page 2

- 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 "j. 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.

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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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1 ~~trust, partnership, incorporated or unincorporated~~
 2 ~~association, or any other legal entity, provided,~~
 3 ~~however, person the same as defined in section 4.1,~~
 4 ~~except that it~~ does not include a government or
 5 governmental subdivision or agency.

6 10. "Purchaser" means a person who enters into a
 7 contract ~~or agreement~~ for the acquisition of a
 8 business opportunity or a person to whom an offer to
 9 sell a business opportunity is directed.

10 12. "Sale" or "sell" includes every contract ~~or~~
 11 ~~agreement of for~~ sale, contract to sell, or
 12 disposition of, a business opportunity or interest in
 13 a business opportunity for value.

14 Sec. 14. Section 523B.2, subsections 1 through 7,
 15 Code 2003, are amended by striking the subsections.

16 Sec. 15. Section 523B.2, subsection 8, paragraphs
 17 a and b, Code 2003, are amended to read as follows:

18 1. IRREVOCABLE CONSENT TO SERVICE. A person
 19 required to file an irrevocable consent to service of
 20 process with the secretary of state as a seller as
 21 provided in section 523B.2A shall not act as a seller
 22 in the state

23 a. ~~It is unlawful to offer or sell a business~~
 24 ~~opportunity required to be registered pursuant to this~~
 25 ~~chapter unless the person provides a written~~
 26 ~~disclosure document as filed under subsection 2 is~~
 27 ~~delivered to each purchaser. The person shall deliver~~
 28 ~~the written disclosure document to the purchaser at~~
 29 ~~least ten business days prior to the earlier of the~~
 30 ~~purchaser's execution by a purchaser of a contract or~~
 31 ~~agreement imposing a binding legal obligation on the~~
 32 ~~purchaser or the payment by a purchaser of any~~
 33 ~~consideration in connection with the offer or sale of~~
 34 ~~the business opportunity.~~

35 b. 2. DISCLOSURE DOCUMENT COVER SHEET. The
 36 disclosure document shall have a cover sheet which is
 37 entitled, shall consist of a title printed in bold and
 38 a statement. The title and statement shall be in at
 39 least ten point bold type, "DISCLOSURE REQUIRED BY
 40 IOWA LAW," and shall appear as follows:

41 DISCLOSURE REQUIRED BY IOWA LAW
 42 Under the title shall appear the following statement
 43 in at least ten point type: "The The registration of
 44 this business opportunity does not constitute
 45 approval, recommendation, or endorsement by the state
 46 of Iowa. The information contained in this disclosure
 47 document has not been verified by this state. If you
 48 have any questions or concerns about this investment,
 49 seek professional advice before you sign a contract or
 50 make any payment. You are to be provided ten (10)

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 e. 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 or 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 of~~
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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1 statement of a material fact or omits to state a
2 material fact necessary in order to make the
3 statements made, in the light of the circumstances
4 under which they are made, not misleading.
5 Sec. 29. Section 523B.12, subsection 4, unnumbered
6 paragraph 1, Code 2003, are amended to read as
7 follows:

8 ~~It is unlawful for a business opportunity~~ A seller
9 ~~to of a business opportunity shall not~~ do any of the
10 following:

11 Sec. 30. Section 523B.12, subsection 4, paragraphs
12 d, f, h, and j, Code 2003, are amended to read as
13 follows:

14 d. Misrepresent the training and management
15 assistance available to the ~~business opportunity~~
16 purchaser.

17 f. Misrepresent, by failure to disclose or
18 otherwise, the termination, transfer, or renewal
19 provision of a business opportunity agreement
20 contract.

21 h. Assign a so-called exclusive territory
22 encompassing the same area to more than one ~~business~~
23 ~~opportunity~~ purchaser.

24 j. Provide merchandise, machines, or displays of a
25 brand or kind substantially different from or inferior
26 to those promised by the ~~business opportunity~~ seller.

27 Sec. 31. Section 523B.13, subsections 5 and 6,
28 Code 2003, are amended by striking the subsections.

29 Sec. 32. Section 523B.5, Code 2003, is repealed.

30 DIVISION III

31 RETIREMENT FACILITIES

32 Sec. 33. Section 523D.1, subsection 1, Code 2003,
33 is amended by striking the subsection.

34 Sec. 34. Section 523D.3, subsection 1, unnumbered
35 paragraph 1, Code 2003, is amended to read as follows:

36 At the time of, or prior to, the execution of a
37 contract to provide continuing care or senior adult
38 congregate living services, or at the time of, or
39 prior to the provider's acceptance of part or all of
40 the entrance fee by or on behalf of a prospective
41 resident, whichever occurs first, the provider shall
42 deliver a an initial disclosure statement to the
43 person, and to the person's personal representative if
44 one is appointed, with whom the contract is to be
45 entered into. Unless incorporated by reference, in
46 whole or in part, the initial disclosure statement
47 shall not constitute part of the contract between the
48 resident and provider. The initial disclosure
49 statement shall contain all of the following
50 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.

Page 2

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."~~

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
 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
 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 ~~thirty~~ fifty 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", "c", "d", "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.^c

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 electd 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,

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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

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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,

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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

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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

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1 jurisdiction of the courts of this state. A
2 nonresident who has a duly appointed resident agent

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 is proposed, approval of the commonwealth~~
37 ~~charter shall be a separate ballot issue from approval~~
38 ~~of the alternative form of government in those cities~~
39 ~~proposed to be included in the commonwealth. The~~
40 ~~commonwealth charter shall be effective in regard to a~~
41 ~~city government only if a majority of the voters of~~
42 ~~the city voting on the question voted for~~
43 ~~participation in the commonwealth charter. The~~
44 community commonwealth charter is adopted only if all
45 of the following apply:

46 a. A majority of the votes cast in the
47 unincorporated area of the county approves the
48 proposal.

49 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~~
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

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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

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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

Page 3

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

Page 4

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

Page 2

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

Page 2

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

Page 2

- 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

Page 3

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
 Page 2

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

Page 2

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 ~~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 ~~or~~ ~~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

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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

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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

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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

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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

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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

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- 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

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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

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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

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. NEW SECTION. 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. NEW SECTION. 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~~ 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

Page 3

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.

1 House Resolution 5
2 By B. Hansen and Hoffman
3 A resolution designating January 29, 2003, as Iowa
4 Insurance Day.
5 *Whereas*, the Iowa insurance industry, through its
6 employees and agents, has made a historic contribution
7 to the economic growth and strength of our state and
8 nation; and
9 *Whereas*, all Iowans benefit from the financial
10 protections offered by the Iowa insurance industry
11 through the provision of mechanisms to insure the
12 health, life, property, and retirement income of
13 Iowans; and
14 *Whereas*, two hundred fifty-seven insurance
15 companies are headquartered in Iowa; and
16 *Whereas*, more than 40,000 Iowans work in Iowa's
17 insurance industry, with over 27,000 agents and
18 brokers representing the insurance industry in every
19 county in the state; and
20 *Whereas*, the yearly insurance industry payroll for
21 its Iowa employees exceeds \$1.5 billion, 5 percent of
22 the total payroll for all Iowa employees; and
23 *Whereas*, Iowa's insurance industry currently
24 accounts for 4 percent of the gross state product, at
25 over \$3.1 billion; *Now Therefore*,
26 *Be It Resolved By The House Of Representatives*,
27 That the Iowa House of Representatives designates the
28 day of January 29, 2003, as Iowa Insurance Day and
29 invites the citizens of Iowa to discover and honor the
30 important economic contributions made by the Iowa

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1 insurance industry.

HR 5 filed January 28, 2003; House adopted January 29, 2003.

1 House Resolution 9
2 By Bell, Eichhorn, and Gipp
3 A resolution supporting a proposal to invite the
4 Republic of China (Taiwan) to participate in the
5 upcoming meeting of the World Health Assembly as an
6 observer.
7 *Whereas*, the fifty-sixth World Health Assembly
8 meeting is scheduled to take place May 19 through 28,
9 2003, in Geneva, Switzerland; and
10 *Whereas*, the Republic of China, commonly known as
11 Taiwan, was a founding member of the World Health
12 Organization and participated for 24 years as a full
13 member contributing to achieving the organization's
14 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.

HR 31 filed March 17, 2003; House adopted March 19, 2003.

1 House Resolution 35
2 By Wilderdyke, Drake, and Baudler
3 A resolution honoring Bob and Sheila Everhart for their
4 efforts to preserve and promote folk, country, and
5 bluegrass music in the Midwest.
6 *Whereas*, the State of Iowa enjoys an exceptionally
7 long, proud, and diverse musical heritage with strong
8 roots in folk, country, and bluegrass music; and
9 *Whereas*, the members of the House of
10 Representatives welcome with pleasure the opportunity
11 to applaud the achievements of a remarkable couple who
12 have truly distinguished themselves in their efforts
13 to preserve and to promote the time-honored art of
14 folk, country, and bluegrass music: Bob and Sheila
15 Everhart of Anita, Iowa; and
16 *Whereas*, this year marks the thirty-first
17 anniversary of the National Traditional Country Music
18 Association established by Bob Everhart in 1972 in
19 order to bring a different type of entertainment and
20 music to this part of the country; and
21 *Whereas*, through the leadership and determination
22 of Bob and Sheila Everhart along with the input and
23 contributions of their many volunteers and helpers,
24 the Missouri Valley Old Time Country Music Festival
25 and Contest has enjoyed 28 years of outstanding
26 success as a program aimed at providing excellent
27 quality and wholesome family entertainment; and
28 *Whereas*, the Missouri Valley Old Time Country Music
29 Festival and Contest has had a substantial and highly
30 positive impact on the entire western Iowa community

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1 while attracting many tourists to the area each year,
2 and has maintained an enviable reputation for its role
3 in helping to preserve folk, country, and bluegrass
4 music, a genuine American art form that originated
5 with the homesteaders and pioneers who settled Iowa;
6 and
7 *Whereas*, The First Annual Missouri Valley Old Time
8 Country Music Festival and Contest will be held August
9 25-31, 2003, at the Harrison County Fairgrounds, where
10 top musicians from throughout Iowa, the United States,
11 and around the world will gather to delight fans of
12 all ages and backgrounds; and
13 *Whereas*, key events in the upcoming Missouri Valley
14 Old Time Country Music Festival and Contest will
15 include a number of instrument workshops and
16 demonstrations, and many exciting band performances;
17 *Now Therefore*,
18 *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 Brislawm 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 Brislaw, 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 Frevert
 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 Foege
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 Nachitoches, 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 KLEMME, RALPH—Representative **Plymouth-Sioux Counties**, Assistant
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(See MANTERNACH, GENE—Representative **Dubuque-Jones Counties**,
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- Mary Mascher—Representative **Johnson** County
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- BELL, PAUL**—Representative **Jasper** County
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Amendments offered—1110, 1746
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Committee appointments—22, 24, 90
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Resolutions offered—1109, 1110
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- BERRY, DEBORAH L.**—Representative **Black Hawk** County
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Amendment offered—1748

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Amendments filed—742, 783, 901, 923, 924, 925, 1320, 1453

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Committee appointments—22, 23, 24, 25, 87

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Leave of absence—1532

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Amendments filed—418, 453, 466, 690, 925, 946, 963, 1060, 1070, 1340, 1691, 1747

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Requested to be added as a sponsor of HJR 5—483

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Requested to be added as a sponsor of HJR 5—483

Resolutions filed—157, 214, 248, 249, 310, 324, 466, 746, 1919

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Took oath of office—1

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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

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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

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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

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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

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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

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Resolution offered—880

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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

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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

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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

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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

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Amendments filed—563, 667, 703, 704, 782, 808, 828, 858, 875, 925, 967, 968, 974, 1035, 1107, 1153, 1257, 1321, 1493

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ELGIN, JEFF—Representative Linn County
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House File 584—Representative Foegen—876
House File 585—Representative Carroll—738
House File 585—Representative D. Taylor—779
House File 585—Representative Maddox—824

- House File 586—Representative Carroll—900
House File 592—Representatives Carroll & Paulsen—738
House File 592—Representative D. Taylor—779
House File 592—Representative Maddox—824
House File 593—Representative Huseman—869
House File 594—Representative Hogg—917
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House File 601—Representative Carroll—738
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House File 603—Representative Carroll—738
House File 603—Representative D. Taylor—779
House File 603—Representative Maddox—824
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House File 604—Representative Maddox—824
House File 612—Representative Carroll—900
House File 614, H-1146—Representative Huser—824
House File 614—Representative Huser—824
House File 614—Representative Foege—876
House File 615—Representative Wise—824
House File 616—Representatives Berry & Huseman—869
House File 623—Representative Huser—779
House File 623—Representative Wise—824
House File 623—Representative Foege—876
House File 624—Representative Wise—824
House File 624—Representative Foege—876
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
House File 636—Representative S. Olson—1030
House File 641—Representative Carroll—900
House File 644—Representative Huseman—869
House File 648—Representative Huseman—869
House File 650—Representative Huseman—869
House File 654—Representative Bukta—1133
House File 654—Representative Huseman—1167
House File 655—Representative Stevens—855
House File 655—Representative Foege—876
House File 656—Representative Maddox—855
House File 656—Representatives Berry & Huseman—869
House File 667—Representative Bukta—1133
House File 674—Representative Miller—1686
House File 675—Representative Heaton—1316
House File 675—Representative Miller—1686
House File 676—Representative Miller—1686
House File 685—Representative Miller—1686
House File 685—Representative Manternach—1916

- House File 686—Representative Davitt—1460
House File 688—Representative Kuhn—1520
House File 689—Representative Davitt—1460
House File 696—Representative Miller—1686
House Resolution 42—Representative Miller—1686
House Resolution 58—Representative Miller—1686
Senate File 3—Representative Huseman—1167
Senate File 94—Representative Heaton—900
Senate File 94—Representative Upmeyer—917
Senate File 119—Representative Huseman—1167
Senate File 127—Representative Huseman—552
Senate File 134—Representative Maddox—855
Senate File 134—Representatives Berry & Huseman—869
Senate File 155—Representative Bukta—1133
Senate File 155—Representative Huseman—1167
Senate File 172—Representative Bukta—1133
Senate File 172—Representative Huseman—1167
Senate File 180—Representative J.K. Van Fossen—1167
Senate File 201—Representative Kramer—1148
Senate File 201—Representative Huseman—1167
Senate File 211—Representative Arnold—464
Senate File 224—Representative Wise—824
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
Senate File 341—Representative Kuhn—1520
Senate File 344—Representative Kuhn—1520
Senate File 351—Representative Kramer—1148
Senate File 351—Representative Huseman—1167
Senate File 352—Representative J.K. Van Fossen—1167
Senate File 357—Representative Wise—824
Senate File 359—Representatives Drake & J.K. Van Fossen—1167
Senate File 372—Representatives Drake & J.K. Van Fossen—1167
Senate File 376—Representative Wise—824
Senate File 379—Representative Huser—1133
Senate File 379—Representative Huseman—1167
Senate File 383—Representative Davitt—1460
Senate File 386—Representatives Drake & J.K. Van Fossen—1167
Senate File 393—Representative Huseman—1167
Senate File 394—Representative Huseman—1167
Senate File 395—Representatives Alons, Boal & Raecker—1133
Senate File 395—Representative Huseman—1167
Senate File 396—Representative Huseman—1167
Senate File 397—Representative Bukta—1133

Senate File 397—Representative Huseman—1167
 Senate File 401—Representatives Berry & Huseman—869
 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
 Senate File 442—Representative Miller—1686
 Senate File 444—Representative Miller—1686
 Senate File 451—Representative Miller—1686
 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. Laborato 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

HOUSE COMMITTEE ASSIGNMENTS—26-37, 157

HOUSE CONCURRED—

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** County

- Amendments 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

Item veto messages—1927-1928

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

Item veto messages—2250-2258

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

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- 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

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- 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—

- By Acting Chief Clerk—1
- 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

OFFICERS AND EMPLOYEES—

- Elected—7, 10, 347
- Employees of the House—42-46
- House employees classification, grades and steps—358-359, 1486-1488, 1515-1520
- Pages (groups I & II)—45-46
- 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

OLDSON, 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
 Subcommittee assignments—84, 161, 175, 198, 236, 237, 265, 331, 397, 516, 556,
 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

PAGES—

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

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House Resolution 4—86, 137 adopted.

PERSONNEL COMMITTEE

(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

POINTS OF ORDER RAISED—

House File 595, H-1262—Representative Tjepkes—986
 House File 595, H-1272A—Representative Tjepkes—990
 House File 619, invoke Rule 32—Representative Shultz—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

REPORTS—

(See COMMUNICATIONS and/or INDIVIDUAL HEADINGS)

RESIGNATIONS—

(See OFFICERS AND EMPLOYEES)

RESOLUTIONS—

(See also LEGISLATIVE INDEX VOLUME)

Adopted:

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House Concurrent Resolution 2—11
House Concurrent Resolution 3—12
House Concurrent Resolution 4, as amended—151
House Concurrent Resolution 6—404
House Concurrent Resolution 8—906
House Concurrent Resolution 9—906
House Concurrent Resolution 19, as amended—1110
House Concurrent Resolution 21—1785
House Resolution 4—137
House Resolution 5—192
House Resolution 6—231
House Resolution 7—234
House Resolution 9—1109
House Resolution 10—253
House Resolution 15—1139
House Resolution 16—470
House Resolution 18—395
House Resolution 19—404
House Resolution 26—464
House Resolution 27—463
House Resolution 29—586
House Resolution 31—677
House Resolution 35—1092
House Resolution 39—746
House Resolution 41—1155
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House Resolution 44—1174
House Resolution 45—1352
House Resolution 47—1174
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House Resolution 53—1352
House Resolution 56—1464
House Resolution 58—1492
House Resolution 60—1525
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Senate Concurrent Resolution 3—464
Senate Concurrent Resolution 8—1258
Senate Concurrent Resolution 20—1908
Senate Concurrent Resolution 21—1916

Filed:

House Concurrent Resolution 4—86
House Concurrent Resolution 5—157
House Concurrent Resolution 6—214
House Concurrent Resolution 7—215
House Concurrent Resolution 8—240
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House Concurrent Resolution 10—310
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House Concurrent Resolution 13—400
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House Concurrent Resolution 16—466
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- House Resolution 35—703
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- House Resolution 50—923
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- House Resolution 52—1020
- House Resolution 53—1060
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- House Resolution 56—1349
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- House Resolution 62—1919
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- Senate Concurrent Resolution 2—333
- Senate Concurrent Resolution 3—269
- Senate Concurrent Resolution 5—453
- Senate Concurrent Resolution 8—1035
- Senate Concurrent Resolution 9—596
- Senate Concurrent Resolution 12—1690
- Senate Concurrent Resolution 17—1919
- Senate Concurrent Resolution 19—1919

Laid over under Rule 25:

- House Concurrent Resolution 5—157
- 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
- House Concurrent Resolution 13—400
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- House Concurrent Resolution 16—466

- House Concurrent Resolution 17—563
House Concurrent Resolution 18—606
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House Resolution 42—828
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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
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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 700, 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-Muscatine 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 Boëf, 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

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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

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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. Lavarato)

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. Lavarato 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 ENGELLENHOVEN, 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