

A middle-class tax cut is good for Iowa

We're working to give middle-class Iowans a modest tax cut. At the same time, we can simplify our antiquated tax system and make it easier for Iowa communities to attract good-paying jobs.

This idea is strenuously opposed by some of Iowa's richest citizens and most powerful special interests. Unfortunately, the state is being blanketed with misinformation and half-truths.

Here are some facts to keep in mind about the middle-class tax cut proposal:

- * It will reduce tax rates for every Iowa taxpayer.
- * Two-thirds of Iowans will pay less in taxes or see no increase.
- * Iowa's income tax system will become simpler.
- * The proposal does not increase revenues to the state of Iowa.
- * For Iowa households making less than \$125,000 annually, taxes will be cut by more than \$34 million.
- * It will attract good-paying jobs to Iowa and strengthen our business climate by making Iowa's income tax rates more competitive with neighboring states. Currently, Iowa has what appears to be the nation's 4th highest income tax rate.
- * The elimination of federal deductibility and rate reduction has long been supported by such pro-business groups as the Iowa Chamber Alliance, Professional Developers of Iowa, and Iowa Taxpayer's Association.

The middle-class tax-cut plan has five key components:

1. It increases the elderly and blind personal credit from \$20 to \$40. Every Iowan over 65 will get the increased deduction.

2. It expands the refundable tax credit for working families. Some families will be eligible for a tax credit of up to \$5,000.

3. It helps families afford quality child and elder care by increasing the Child & Dependent Care Credit and the Early Childhood Development Credit.

4. It reduces all tax rates. Iowa's top income tax rate will drop 22 percent to the lowest rate in 40 years.

5. It eliminates federal deductibility on Iowa tax forms. This simplifies tax returns by removing nine lines on the income tax form. Every dollar gained by eliminating federal deductibility is used to lower rates.

The time is right to make Iowa's tax system fairer, simpler and more competitive.

Veterans Home administrators discuss policy changes

The Iowa Legislature has worked hard to improve services and facilities for Iowa veterans, including those living in the Iowa Veterans Home (IVH) in Marshalltown.

Partnering with the federal government, the Legislature is proceeding with plans to make the IVH a state-of-the-art facility that will be one of the best in the country and enhance the quality health care, security and sense of community that our veterans deserve.

Because of this bipartisan commitment, Iowa Senate and House Veterans Affairs committees held a special joint meeting with top IVH administrators to discuss recent policy changes that resulted in physicians benefiting financially from increased on-call hours. In the past, the IVH had recruited relief physicians who worked part time, usually nights and weekends.

IVH medical director Dr. Melissa Bruhl said that, on average, the home could not find relief

physicians to cover between four and five 12-hour shifts each month, and that number was steadily increasing. In response, the home moved to an on-call program in which staff physicians, including Bruhl, took on additional shifts for additional pay, eliminating the need for outside doctors.

Bruhl told legislators that the change was a joint decision by senior management and was based on what other state agencies have done in similar situations.

While Veterans Affairs committee members generally agree that the IVH staff does a good job of caring for the 700 veterans who reside at the Marshalltown facility, such important policy changes should be public knowledge.

Senator Steve Soddors, who represents Marshalltown in the Iowa Senate, noted that better communication could have prevented concerns over IVH procedures and the negative publicity they have generated.

Flood insurance speeds disaster recovery

Last year's natural disasters taught us that those with adequate insurance coverage recover more quickly. In addition, the state's financial liability is greatly reduced when Iowans have appropriate coverage.

That's why the Senate Rebuild Iowa Committee recently voted to require eligible local governments to participate in the National Flood Insurance Program (NFIP). Community participation in the program greatly reduces insurance costs for eligible homeowners. However, Iowans are not eligible for the benefits of this program unless their local governments participate.

Stopping unfair campaign tricks

The Senate State Government Committee has approved a measure that would prohibit the use of

false caller identification when making campaign telephone calls.

The proposal seeks to keep callers from deceiving voters by using fake or pirated caller identification numbers. It would also give the Iowa Ethics & Campaign Disclosure Board jurisdiction over this fraudulent practice.

During the 2008 election in Iowa, at least two incidents emerged in which caller identification showed automated calls coming from a county courthouse or city hall. The message then told the listener to vote "no" on a ballot issue. This deceptive practice defrauds voters and is unfair to local governments and the election process.

Maintaining protections for abused kids

Even in tough economic times, it's crucial that we protect our most vulnerable citizens. For that reason, a special advocate program for abused and neglected children is likely to see a 2 percent increase this year.

The Iowa Court Appointed Special Advocate (CASA) Program recruits, trains and supports adult community volunteers who represent the best interests of abused and neglected children in court proceedings.

CASA volunteers serve as an effective voice in court for abused and neglected children, helping to ensure that each child is living in a safe, permanent and nurturing home. The Court Appointed Special Advocate's work includes investigation, assessment, facilitation, monitoring and advocacy.

For more information, go to <http://childadvocacy.iowa.gov/CASA.aspx>.

Stronger protections on Iowa's groundwater passes Senate

Senate File 432 passed the Senate on a bipartisan 43-6 vote on March 26. The bill provides stronger

protections for our water by banning surface application of liquid manure on frozen or snow-covered ground from February 1 to April 1. The bill provides different regulations for different types of manure.

Proposed Iowa Department of Natural Resources rules currently do not allow for emergency situations, but the bill that passed the Senate does make exceptions for natural disasters, unusual weather conditions, and equipment or structural failure.

The legislation also provides regulations for dry bedded cattle and hog confinement feeding operations, allowing them to stockpile for six months. Although most producers spread and incorporate in the fall, there are times when the weather does not cooperate. The changes that passed the Senate would allow the producer to haul before the cropping season starts in April.

Internship grants available to Iowa companies

Do you know a business owner looking to offer internships?

The Iowa Department of Economic Development is accepting applications through May 1, 2009, for the Summer Internship Program funds. In 2008, the program awarded grants for 150 summer internships at 75 companies.

The program is available to Iowa-based companies that meet these criteria:

- * Fewer than 500 employees, with a significant portion working in Iowa
- * Engaged in one of the targeted industries of biosciences, advanced manufacturing or information technology.
- * Offer internships to students at Iowa community colleges, private colleges, or Regent institutions.

For complete information on the Iowa Student Internship Program, go to

www.iowalifechanging.com/business/ic/internship_program.html.

Uniform laws can keep children safe

The Senate Judiciary Committee has passed a bill that would help prevent abductions of children who are involved in custody disputes.

During child custody battles, it is not uncommon for parents to abduct a child, causing tremendous trauma for the child and the family. Reuniting a family when a child has been taken to another state is difficult and can be almost impossible if the child is taken to a foreign country.

Signs that a parent is intending to take a child include obtaining a passport for the child, withdrawing large amounts of money from a bank account, selling a house, or threatening to take the child.

House File 713 would allow a person to request help from the court if they believe there is serious risk that a child will be abducted. If the court agrees, it could impose travel restrictions, take a person's passport, or require the posting of a bond as a financial deterrent to abduction.

Protecting the courts and the judicial process

Currently under Iowa law, it is a criminal offense to harass jurors and witnesses. A new proposal under consideration (House File 697) would expand that protection to court employees and judicial officers.

The Senate Judiciary Committee voted to make it an aggravated misdemeanor to harass a judge, magistrate, court employee or their family members to influence a court decision or in retaliation for a court decision.

An aggravated misdemeanor is punishable by up to two years in prison and a fine of between \$625 and \$6,250.

Let's show appreciation for Iowa's volunteer emergency workers

Rural Iowa communities rely on volunteers for many of their emergency services and often have difficulty recruiting qualified people because of the extensive commitment.

The Senate Judiciary Committee recently passed a bill that would prohibit employers from firing an employee for their volunteer work as a firefighter, reserve peace officer or emergency medical care provider. The emergency services volunteer would also be protected if they were to be late to work or miss work because of volunteer duties.

By taking this step, we're recognizing the valuable service of our emergency volunteers and encouraging more Iowans to take on these duties without fear of losing their jobs.

Judicial branch seeks cost-cutting ideas

In light of tough budget times, Iowa's Judicial Branch has taken a number of steps to cut costs and deeper cuts will continue to be necessary.

If you have ideas for additional cost-cutting measures, innovations or reforms that could improve the court system within the constraints of a tight budget, you can submit your ideas at www.iowacourts.gov/Administration/Budget/SubmitIdeas/.

AGRICULTURE

STAFF CONTACT: Kerry Wright

SF 432 -- Dry bedded manure stockpiling/liquid manure on frozen ground
HF 710 -- Agricultural development authority to report legislative oversight

FLOOR ACTION:

SF 432 deals with dry cattle and swine bedded manure stockpiling. It creates a new Code chapter, 459B.101, and addresses storage, timelines, slope grades, karst terrain, separation distances, definitions and structures. It also addresses restrictions for application of liquid manure on frozen and snow-covered ground in the areas listed above. [3/26: 43-6 (Warnstadt “absent”)]

COMMITTEE ACTION:

HF 710 requires the executive director of the Agricultural Development Authority to report semiannually to the legislative Government Oversight Committee regarding its operations. The Authority is a state agency established to assist farmers in obtaining financing, including for purchasing agricultural property by beginning farmers, for installing permanent soil and water conservation practices, and for providing operating expenses. [3/26: Short form]

APPROPRIATIONS

STAFF CONTACT: Theresa Kehoe

SF 467 – Ag & Natural Resources FY10 Appropriations
SSB 1318 – Economic Development FY10 Appropriations

FLOOR & COMMITTEE ACTION:

SF 467 appropriates a total of \$39.4 million from the General Fund and 1,601.3 FTE positions for FY10. This is a decrease of \$12.1 million and 31.4 FTE positions compared to the estimated net FY09 appropriations. **SF 467** also appropriates \$85.2 million from other funds. This is a decrease of \$2.5 million compared to estimated FY09. Highlights include:

- Appropriates the unobligated balance (\$10,000) of the Agrichemical Remediation Fund to the Department of Agriculture and Land Stewardship for operations.
- Appropriates \$18.7 million from the General Fund and 408.0 FTE positions to the Department of Agriculture and Land Stewardship (DALs). This is a decrease of \$2.5 million and 37.0 FTE positions. Changes include:
 - A general reduction to operations of \$2.5 million.
 - A decrease of 36.0 FTE positions to eliminate vacant and unfunded positions.
 - A decrease of 1.0 FTE position for a technical correction.
- Appropriates \$17.7 million from the General Fund and 1,169.0 FTE positions to the Department of Natural Resources (DNR). This is a decrease of \$9.4 million and a decrease of 1.0 FTE position. Changes include:

- A decrease of \$4.3 million for a general reduction that includes an FY09 supplemental appropriation \$2.0 million (HF 414).
 - A decrease of \$4.1 million for the FY09 supplemental appropriation as specified in HF 414.
 - A decrease of \$985,000 for one-time funding for redemption center grants.
 - A decrease of 3.0 FTE positions that are transferred to the Office of Energy Independence.
 - Permits the DNR to use Stormwater Discharge Permit fees to fund 2.0 FTE positions for the reduction of floodplain permits and to fund 2.0 FTE positions for the federal Total Maximum Daily Load (TMDL) Program.
 - Appropriates funds from the National Pollutant Discharge Elimination System (NPDES) Permit Fund the DNR for administering the NPDES Program.
- Appropriates \$2.9 million for the Veterinary Diagnostic Laboratory at Iowa State University (ISU). This is a decrease of \$202,000.
 - Appropriates \$42.0 million from the Environment First Fund. Changes include:
 - A decrease of \$50,000 for the Farm Demonstration Program.
 - An increase of \$100,000 for the Air Quality Monitoring Program for equipment.
 - A decrease of \$50,000 for the Global Climate Change Study that has been completed.
 - ▶ Eliminates appropriations to the Snowmobile and All-Terrain Vehicle Funds. This is a decrease of \$950,000 to the Snowmobile Fund and \$775,000 to the All-Terrain Vehicle Fund. In FY09, the General Assembly replaced funding that was deappropriated in FY 2002. Funding was from the Unassigned Revenue Fund of the Underground Storage Tank Fund.
 - ▶ Increases the percentage of program funding the DALs can use for administrative expenditures in various Environment First Fund Programs for a total increase of \$507,000. This includes:
 - \$30,000 for the Conservation Reserve and Enhancement Program.
 - \$51,000 for the Watershed Protection Fund.
 - \$16,000 for the Farm Demonstration Management Program.
 - \$30,000 for the Agriculture Drainage Wells Program.
 - \$30,000 for the Conservation Reserve Program.
 - An increase of \$350,000, for the Soil Conservation Cost Share Program.
 - ▶ Requires the DALs and the DNR to submit a quarterly report to the Legislative Services Agency, the Department of Management, the members of the Agriculture and Natural Resources Appropriations Subcommittee, and the Chairs and Ranking Members of the standing Appropriations Committees, detailing the expenditures of the money appropriated.
 - ▶ Prohibits ISU from reducing other funding to the Veterinary Diagnostic Laboratory and requires any unallocated funds to the Laboratory to revert to the General Fund at the end of the fiscal year. Also specifies that the General Assembly intends to provide funding of \$4.0 million to the Veterinary Diagnostic Laboratory for FY 2010. The Senate adopted an amendment which made the following changes:

Agriculture energy efficiency education program - The proposal is to have UNI establish and administer an agriculture energy efficiency program to assist agriculture producers in reducing energy use and increasing profitability. UNI is only required to carry out the program if it receives federal funding.

Septic tank inspections – The amendment would delay the effective date of the septic tank inspection requirement at the time of transfer of real estate. The inspection requirement is set to begin on July 1st. The amendment would change the date to July 1, 2010. There is a concern on the part of the realtors, bankers, and the Iowa State Bar Association that there will not be enough inspectors around the state on the effective date to adequately complete the required inspections.

The amendment also expands the list property transfers that are exempt from the inspection requirement to include additional transactions that are “paper” in nature, and not true person to person transactions. The list in the amendment is identical to the list of transactions that are exempt from the real estate transfer tax.

Pharmaceutical collection and disposal program – This would require DNR to award up to \$165,000 from the Solid Waste Alternatives Program to the Iowa Board of Pharmacy to implement and administer a program for the collection and appropriate disposal of unused, excess, and expired pharmaceuticals. The Iowa Board of Pharmacy may cooperate with Iowa Pharmacy Association in administering the program, and may consult with DNR and landfill operators in implementing and administering the program as well. The goal of the program would be to keep pharmaceuticals from being sent to the landfill or flushed down the drain, where they could enter the water supply. [4/1: 32-18; 3/31: 16-9]

COMMITTEE ACTION:

SSB 1318 appropriates a total of \$45.0 million from the General Fund and 510.6 FTE positions to the Department of Cultural Affairs, the Department of Economic Development, Board of Regents economic development programs, Iowa Workforce Development, and the Public Employment Relations Board (PERB). This is a decrease of \$3.2 million and 3.0 FTE positions compared to the estimated net FY09 appropriations. SSB 1318 decreases support from other funds by \$656,000 to a total of \$11.6 million. Highlights Include:

Department of Cultural Affairs:

Appropriates \$6.3 million and 82.8 FTE positions from the General Fund to the Department of Cultural Affairs. This is a decrease of \$522,000 and 1.0 FTE position compared to the estimated net FY09 appropriation. The significant changes include:

- A decrease of \$462,000 for a general reduction to all appropriations.
- A decrease of \$59,000 and 1.0 FTE position due to the reassignment of an FTE position to the Rebuild Iowa Office.

Department of Economic Development

Appropriates \$14.9 million and 160.3 FTE positions from the General Fund to the Department of Economic Development (DED). This is a decrease of \$1.5 million and 0.01 FTE position compared to the estimated net FY09. The significant changes include:

- A decrease of \$1.5 million due a general reduction.
- An increase of \$125,000 to replace an FY09 appropriation to the Iowa Commission on Volunteer Services from the Healthy Iowans Tobacco Trust (HITT) Fund.
- A decrease of \$148,000 to reflect the elimination of an appropriation for the Center for Citizen Diplomacy.
- Makes a new appropriation of \$144,000 from interest earnings on the Federal Economic Stimulus and Jobs Holding Account to support the Councils of Governments.
- Eliminates an FY09 appropriation of \$160,000 from interest earnings on the Grow Iowa Values Fund to support the Councils of Governments.
- Eliminates an FY09 appropriation of \$125,000 to the Iowa Commission on Volunteer Services from the Healthy Iowans Tobacco Trust (HITT) Fund.
- Eliminates an FY09 appropriation of \$500,000 from interest earnings on the Grow Iowa Values Fund for the administration of a Sustainable Community Development Initiative.

Board of Regents

Appropriates \$3.5 million and 69.4 FTE positions from the General Fund for economic development programs at Iowa State University (ISU), the University of Iowa (UI), and the University of Northern Iowa (UNI). This is a decrease of \$287,000 compared to the estimated net FY09 appropriations due to a general reduction.

Department of Workforce Development

Appropriates \$19.1 million and 188.2 FTE positions from the General Fund for the Department of Workforce Development (IWD). This is a decrease of \$850,000 and 1.0 FTE position compared to the estimated net FY09 appropriations. The significant changes include:

- A decrease of \$360,000 for a general reduction for IWD Field Offices.
- A decrease of \$490,000 and 1.0 FTE position for the elimination of a Statewide Standard Skills Assessment.
- Appropriates \$471,000 from the Employment Security Contingency Fund for the support of the Workers' Compensation Division.
- Appropriates \$6.5 million from interest earnings on the Unemployment Compensation Reserve Fund to IWD for deposit in the Field Office Operating Fund for operation of the Field Offices. This is no change compared to estimated net FY09.

Public Employment Relations Board

Appropriates \$1.2 million and 10.0 FTE positions from the General Fund to the Public Employment Relations Board. This is a decrease of 58,000 and 1.0 FTE position compared to the estimated net FY09 appropriation. [4/1: 16-8; Seymour excused]

COMMERCE

STAFF CONTACT: Julie T. Simon

HF 311 – Health insurance coverage for certain prosthetics

HF 723 – Insurance Division omnibus

FLOOR ACTION:

HF 311 requires certain health insurance policies to cover medically necessary prosthetic devices designed to replace, in whole or in part, an arm or leg. Coverage must be at least equal to that provided under the most recent federal laws for Medicare, which currently covers prosthetics with no annual or lifetime benefit cap. The prosthetic device must be prescribed by an Iowa-licensed physician.

It applies to these types of policies: individual or group accident and sickness insurance providing coverage on an expense-incurred basis; an individual or group hospital or medical service contract; an individual or group health maintenance organization contract; a plan established for public employees; and an organized delivery system licensed by the Director of Public Health. It does not apply to employer self-insured health coverage plan, because the federal Employee Retirement Income Security Act preempts state insurance regulation of such plans. It does not apply to Medicaid, Medicare, and Veterans Administration programs, which are federally regulated and currently cover these types of prosthetics without annual or lifetime caps.

A policy, contract, or plan providing for third-party payment or prepayment of health or medical expenses issued for use in connection with a health savings account authorized under Title XII of Medicare may impose

the same deductibles and out-of-pocket limits on the prosthetics coverage benefits required in this section that apply to substantially all health, medical, and surgical coverage benefits under the policy, contract, or plan.

The bill applies to policies, contracts or plans delivered, issued for delivery, continued or renewed in Iowa on or after July 1, 2009. The bill passed the House 64-33. [4/1: 40-10 (Behn, Boettger, Feenstra, Hahn, Hamerlinck, Hartsuch, Kettering, McKinley, Reynolds, Wieck “no”)]

COMMITTEE ACTION:

HF 723 is a recommendation by the Iowa Insurance Division (IID) of the Department of Commerce that makes technical corrections to insurance statutes. Highlights include revisions to long-term care insurance asset preservation language to conform to the provisions of the Deficit Reduction Act, modernization of state and county mutual statutes to make both similar to property and casualty insurance companies, and provisions that streamline the processing of the filing of articles of incorporation and amendments to company bylaws.

The bill:

- Makes Iowa’s law on asset preservation through long-term care insurance consistent with the provisions of the Deficit Reduction Act of 2005.
- Tightens securities laws related to a current issue regarding potential avoidance of disciplinary action that can occur if a securities representative withdraws his or her securities registration before administrative action is finalized.
- Clarifies that the consumer advocate for insurance is chief of the consumer advocate bureau and that the advocate and other insurance division personnel may ask the commissioner to retain professionals and specialists to assist in filings for rate reviews and administrative hearings.
- Streamlines filing of insurance company bylaws, articles of incorporation and amendments by using IID legal staff instead of external legal review.
- Specifies that a licensed life insurance agent meets the requirements for licensure as a viatical settlement broker only if the person was licensed as a life insurance agent for at least one year immediately prior to operating as a viatical settlement broker and provides proof of coverage by an errors and omissions policy of at least \$100,000 per occurrence and \$100,000 total annual aggregate for all claims during the policy period.
- Lengthens the term of licensure for a viatical settlement provider or broker from one to three years and requires the individual to complete 20 continuing education credits related to viatical transactions for each renewal.
- Revises the allowable allocations in legal reserve compositions of domestic companies as they relate to stock held in subsidiary companies.
- Clarifies the independent review provisions for determination of long-term care insurance benefit triggers apply to claims made against such policies beginning on January 1, 2009 (effective upon enactment).
- Makes fraud, concealment or misrepresentation by an insured on an application for insurance a “prohibited practice” under Iowa insurance law.
- Provides that insurance reinsured by the federal government is not covered under the state’s property and casualty guaranty fund.
- Updates statutes related to the operations of county mutual insurance companies and state mutual insurance companies to provide increased capitalization requirements, more consumer protection in filing requirements, more oversight over company-held real estate, and other general provisions that make their products and services similar to that of property and casualty insurance companies.

- Requires a seller of pre-need funeral and cemetery goods and services to deposit funds received from the buyer with a financial institution within 15 days of receipt. [3/26: short form]

EDUCATION

STAFF CONTACT: Bridget Godes

HF 687 – Department of Education’s paperwork duplication reduction legislation

FLOOR ACTION:

HF 687 was proposed by the Department of Education (DE). The intent is to eliminate outdated sections to reflect best practices currently in place in the department. Certain reporting duplications include aspects of GED, graduation rate, character education, reading assessment and financial reporting. The bill also allows the School Budget Review Committee to post agendas on its website and strikes certain DE reports to the Legislature that are now covered by other reporting and/or their departmental prefiles. [4/1: 31-19 (party-line, with McCoy voting “no”)]

ENVIRONMENT & ENERGY INDEPENDENCE

STAFF CONTACT: Jace Mikels

HF 468 – Unsewered community revolving loan program and fund

COMMITTEE ACTION:

HF 468 establishes within the Iowa Finance Authority (IFA) an unsewered community revolving loan program. Assistance under the program would be for the purposes of installing sewage disposal systems in a city without a system or in an area where a cluster of homes is located. A cluster of homes must be located in an unincorporated area of the county and contain at least six homes but no more than 500.

The bill also establishes an unsewered community revolving loan fund in the state treasury where money to fund the program will be kept. The bill does not contain appropriations for that fund. [3/26: short form]

HUMAN RESOURCES

STAFF CONTACT: Kris Bell

HF 315 – Youth Development Council

HF 317 – Assisted Living Services

HF 380 – Iowa Department of Public Health technical changes

FLOOR ACTION:

HF 315 creates an Iowa Collaboration for Youth Development Council and State of Iowa Youth Advisory Council in the Department of Human Rights. [3/31: 39-11 (Behn, Boettger, Feenstra, Hahn, Hartsuch, Houser, Kapucian, Kettering, McKinley, Reynolds, Wieck “no”)]

HF 317 directs the Department of Human Services to request a waiver from the Centers for Medicare and Medicaid Services to add assisted living services to the Home and Community-Based Services waiver for the elderly under the Medicaid program. [3/31: 50-0]

HF 380 is the Iowa Department of Public Health’s technical changes bill. It makes technical changes or updates to several programs within the department including: vital records, Dental Board, EMS policies, Board of Podiatry, tooth whitening, Board of Barbering, State Medical Examiner Advisory Council, and the Board of Optometry. [3/31: 33-17 (Bartz, Behn, Boettger, Feenstra, Hahn, Hamerlinck, Hartsuch, Houser, Johnson, Kapucian, Kettering McKinley, Noble, Reynolds, Seymour, Wieck, Zaun “no”)]

JUDICIARY

STAFF CONTACT: Cathy Engel

HF 266 – Recording Proceedings Before a Magistrate
HF 762 – Reserve Peace Officers and Training Requirements

FLOOR ACTION:

HF 266 requires that all small claims trials before a magistrate be electronically recorded if the proceedings are not being reported by a court reporter. [4/1: 49-1, (Bolkcom “no”)]

COMMITTEE ACTION:

HF 762 allows any reserve peace officer who had acquired the 150-hour training requirement from a community college or other facility that was approved by the law enforcement agency that appointed the reserve peace officer prior to July 1, 2007, to be exempt from completing the minimum training course required by state law and certified by the Iowa Law Enforcement Academy. [4/1: short form]

NATURAL RESOURCES

STAFF CONTACT: Jace Mikels

HF 722 – Modifying conservation and recreation regulations

COMMITTEE ACTION:

HF 722 makes various changes to regulations for conservation and recreation activities under the Department of Natural Resources (DNR), including:

- Changing regulations for off-road utility vehicles and ATVs
- Increasing civil penalties for the illegal taking of certain fish and bobcats
- Exempting falconers from the requirement on the use of blaze orange clothing

- Increasing fees and creating new licenses regarding the commercial harvesting of turtles, fish and fish roe
- Clarifying residency requirements for hunting and fishing licenses
- Adjusting reciprocity conditions for border areas between Nebraska and Iowa
- Making changes to the preference point system for non-resident hunters
- Giving DNR the authority to create license packages, which could reduce the amount of license-writing fees a person would have to pay.
- Establishing an upland game bird advisory study committee [3/26: short form]

REBUILD IOWA

STAFF CONTACT: Theresa Kehoe

HF 705 – Safe Rooms & Storm Shelters

HF 759 – Boundaries for National Flood Insurance

COMMITTEE ACTION

HF 705 requires the State Building Code Commissioner, after consulting with and receiving recommendations from the Department of Public Defense, the Department of Natural Resources, and the Rebuild Iowa office, to adopt rules specifying standards and requirements for design and construction of community safe rooms and storm shelters. The Commissioner is required to consider nationally recognized standards. The standards and requirements shall be incorporated into the state building code, but shall not be interpreted to require the inclusion of a community safe room or storm shelter in a building construction project unless such inclusion is expressly authorized by another statute or by a federal statute or regulation. However, if a community safe room or storm shelter is included in any building construction project which reaches the design development phase on or after January 1, 2010, compliance with the standards developed pursuant to this section shall be required. The Committee adopted an amendment which:

- ▶ Strikes the word “community” from HF 705.
- ▶ Delays the date from Jan. 1, 2010 to Jan. 1, 2011.
- ▶ Allows the Building Code Commissioner to provide education and training.
- ▶ The initial administrative rules required to be adopted pursuant shall be adopted by the state building code commissioner on or after February 1, 2010, but no later than April 1, 2010, and shall not become effective prior to July 1, 2010.
- ▶ The State Building Code Commissioner is required to review and assess best practices in the design, construction, and maintenance of buildings, safe rooms, and storm shelters to reduce the risk of personal injury from tornadoes and other severe weather. A report is due to the Governor and General Assembly by December 15, 2009. [3/26: short form (Horn “no”)]

HF 759 requires all counties and cities in this state that have an effective flood insurance rate map or flood hazard boundary map published by the federal emergency management agency that identifies a special flood hazard area within the political boundaries of the county or city shall meet the requirements for participation in the national flood insurance program administered by the Federal Emergency Management Agency (FEMA) on or before July 30, 2013. If a county or city does not currently have an effective flood insurance rate map or flood hazard boundary map published by FEMA that identifies a special flood hazard area within the political boundaries of the county or city, the county or city shall have sixty months from the effective date of any future flood insurance rate map or flood hazard boundary map published by FEMA the federal emergency

management agency to meet the requirements for participation in the national flood insurance program. State participation in funding financial assistance is contingent upon the county or city participating in the national flood insurance program. The Committee adopted an amendment which changes the date from July 30, 2013, to June 30, 2013, and makes other clarifying changes. [3/26: short form]

STATE GOVERNMENT

STAFF CONTACT: Theresa Kehoe

HF 278 – Occupancy Rates Licensed Premises for Consumption of Alcohol

HF 420 – Civil Service Commissions

HF 708 – Absentee Ballots to Patients of Hospitals or Health Care Facilities

HF 776 – False Caller IDs

COMMITTEE ACTION:

HF 278 requires local authorities in a county with a population in excess of 300,000 (i.e., Polk County) to require persons obtaining or holding a liquor control license for on-premises consumption of alcohol to provide, and update if necessary, the occupancy rate of the licensed premises. [3:26: short form]

HF 420 makes changes to Civil Service Commission policies and procedures. Civil Service Commissions are generally appointed by mayors and are a city level governing tool. They deal with promotions, specifically the process regarding promotions and qualifications for specific job classifications for fire fighters, police officers and critical civil service personnel. This is intended to depoliticize the hiring process so that patronage or the “spoils” system is no longer a part of the local government hiring and promoting process. Civil Service Commissions also deal with disciplinary disputes as an arbitrator between the employer and employee. Highlights include:

Publishing the Names of those Appointed by the Civil Service Commission

- Currently, there is no requirement that the names of those people selected to serve on the Civil Service Commission be published prior to the vote by the city council for their approval. HF 420 requires the mayor to post the names of persons selected 30 days prior to the vote of the city council.

Prohibited Contracts

- The bill changes the title of the “conflict of interest” section to “prohibited contracts.” It outlines those prohibitions and specifies a penalty for violations. Civil Service Commissioners would be prohibited from:
 - Selling to or becoming parties directly or indirectly to any contract that furnishes or supplies material or labor to the city.
 - Having a direct or indirect interest in any contract, job material, profits or services to be furnished or performed in the city.
 - Any contract entered into that would violate this section would become null and void. A violation of this section would be a simple misdemeanor.

HF 420 also removes the conflict of interest exceptions referenced to Iowa Code Chapter 362.5, Public Contract Conflict of Interests Exceptions Prohibited contract provisions would be those that only apply to Chapter 400.

Administers of the Examination

- Currently, the commission is in charge of establishing guidelines for conducting the examinations for hiring or promotions. The city may hire persons with expertise to administer the tests if the

commission approves the examinations, and if the city's location is the same where the applicant is taking the examination. HF 420 would require the names of the persons approved to administer the examination be posted in city hall at least 24-hours prior to the examination.

Temporary Appointments

- HF 420 adds the requirement that when filling a temporary position on the Civil Service Commission, the appointment, whenever possible, will be made according to the certified eligible list.

State Residency, Time and Distance Requirements, and Retaliation Prohibited

- The bill says an employee would not be required to be a resident of the city, but within two years of the date of their appointment or start of their employment, the employee must be a resident of the state. Cities would be allowed to set a reasonable maximum distance outside of the corporate limits of the city, or a reasonable maximum travel time that these employees may live from their place of employment. If an employee currently resides outside the state on the date of their appointment or start of their employment, they need to take reasonable steps to become a resident of Iowa as soon as practicable.
- Adds "denied appointment" to the adverse reactions that an employer would be prohibited from taking against a civil service employee. Currently, civil service personnel cannot be appointed, promoted, discharged, or demoted to or from a civil service position, or in any other way favored or discriminated against due to political or religious opinions or affiliations, race, national origin, sex or age. The bill says an employee would not have those adverse actions happen to them if it were in response to them taking action under the rights of this law.

Removal, Denial or Suspension, and Representation at a Public Hearing

- Currently, professional firefighters, police officers or critical civil service personnel, may be removed, denied a promotion, or be suspended for neglect of duty, disobedience, misconduct, or failure to properly perform the person's duties. Under HF 420, the person alleging the misbehavior would have the burden of proving the misbehavior. Under current law, a person subject to a hearing has the right to be represented by any attorney at the person's expense. HF 420 would allow someone to be represented at a hearing or public trial by the person's authorized collective bargaining representative. The bill would take effect July 1, 2009. [3/31: short form]

HF 708 makes changes relating to delivery of absentee ballots to applicants who are patients or residents of hospitals or health care facilities. Under current law, an absentee ballot applied for by a patient or resident of a hospital or health care facility must be personally delivered sometime during the 10 days preceding the election, or on Election Day in some circumstances. HF 708 changes that time period to 14 days preceding the election and provides that, in addition to that delivery, absentee ballots applied for by patients or residents of a hospital or health care facility may also be personally delivered within 10 days after the ballots have been printed. HF 708 prohibits observers from being present when ballots are delivered to a hospital or health care facility. [3/31: short form]

HF 776 prohibits any person from using either false caller identification information with intent to defraud for purposes related to expressly advocating the nomination, election, or defeat of a clearly identified candidate or for the passage or defeat of a clearly identified ballot issue. HF 776 also prohibits using another person's identification information without that person's consent and with intent to deceive the recipient of a call. The bill applies to telephone communications made either through a traditional service provider or through the Internet. A willful violation of any provision of the campaign finance chapter is a serious misdemeanor punishable by confinement for up to one year and a fine of at least \$315 but not more than \$1,875. A variety of

civil remedies is also available or rules of the Ethics and Campaign Disclosure Board, ranging from a reprimand to a civil penalty of not more than \$2,000. [3/31: short form]

TRANSPORTATION

STAFF CONTACT: Hannah Garden-Monheit

HF 481- Weight allowance for special trucks hauling distillers grains

HF 552- Appointment of airport commissioners

COMMITTEE ACTION:

HF 481 states that a special truck used for farming may be operated with a gross weight of 25 percent in excess of its registered gross weight when the truck is carrying distillers grains. Under current law, the 25 percent excess weight allowance only applies to vehicles transporting raw farm products, soil fertilizers, raw dairy products, livestock, live poultry or eggs. [4/1: short form (Hancock, Zaun excused)]

HF 552 states that a person appointed to an airport commission may be a resident of a city or county served by the airport. Under current law, appointees must be resident voters. The bill also removes obsolete language relating to the terms of 1991 appointees.

[3/25: short form (Dandekar, Kapucian, McCoy excused)]

VETERANS AFFAIRS

STAFF CONTACT: Julie T. Simon

HF 321 – IVH chauffeur license waiver

HF 503 – Definition of “veteran”

HF 505 – Background checks for IVH volunteers

HF 706 – Mortgage foreclosure protections for active duty servicemembers

COMMITTEE ACTION:

HF 321 amends the definition of "chauffeur" to exempt authorized employees and volunteers of the Iowa Veterans Home who, in the course of their regular duties, transport patients or residents of the home in an automobile or motor vehicle designed for up to nine passengers. Generally, a person who operates a motor vehicle to transport for wages, compensation, or hire is considered a chauffeur and subject to specific driver licensing requirements under Iowa law. The proposal, a recommendation by the Department of Veterans Affairs, passed the House 95-0. [4/1: short form]

HF 503 is an Iowa Department of Veterans Affairs recommendation that changes the definition of “veteran” in several Iowa Code provisions to include an Iowa resident of who served on active federal service, other than training, in the U.S. Armed Forces and was honorably discharged regardless of when the service occurred. Current law limits the definition to those individuals who served during specific periods of time encompassing various wars and conflicts.

The change would apply to provisions such as veterans' preference in employment, membership on county commissions of veteran affairs, indigent burial expenses and support, grave markers, and the Hepatitis C Awareness Program. The expanded definition will not apply to property tax exemptions. Current law relative to the definition of veteran for purposes of providing a property tax exemption still applies and is not modified by this legislation.

The bill would take effect July 1, 2010. It passed the House 99-0. [4/1: short form]

HF 505 requires criminal history and dependent adult and child abuse record checks for prospective or current volunteers for the Iowa Veterans Home (IVH) who may have direct individual contact with patients or residents.

The IVH will request that the Department of Public Safety perform the criminal history check and the Department of Human Services (DHS) perform child and dependent adult abuse record checks statewide and may request these checks in other states. If a person has been convicted of a crime or has a record of founded child or dependent adult abuse, the person cannot participate as a volunteer with direct individual contact with patients or residents unless, at the request of IVH, the DHS performs an evaluation to determine whether the crime or founded abuse warrants banning the individual from participation as an IVH volunteer. The bill sets criteria for DHS to use in the evaluation, and DHS has final authority in determining whether a ban is warranted. It may permit a person who is evaluated to participate as a volunteer if the person complies with DHS conditions, which may include completion of additional training.

The proposal, a recommendation by the Department of Veterans Affairs, codifies current practice. HF 505 passed the House 98-0. [4/1: short form]

HF 706 provides mortgage foreclosure protection to all active-duty servicemembers, including reservists and members of the Iowa National Guard. It also increases the penalty from a simple misdemeanor to a serious misdemeanor for individuals who knowingly repossess or foreclose on property of active-duty members of the Iowa National Guard or their families. This makes Iowa law closer to federal penalties regarding the U.S. Armed Forces.

The Iowa Departments of Veterans Affairs and Commerce will develop a plan to notify active-duty members and financial institutions of the added protections. The bill passed the House 98-0. [4/1: short form]

WAYS & MEANS

STAFF CONTACT: Kris Bell

SF 116 – Casual Sales Tax Exemption

SF 456 – Wind Energy Tax Credit

SF 458 – Storm Water Drainage Systems

SF 459 – Geothermal Heating and Cooling Systems

SSB 1190 – Department of Revenue policy bill

SSB 1313 – Biodiesel Fuel

SSB 1317 – Middle Class Tax Cuts

FLOOR ACTION:

SF 456 makes changes to the wind energy production tax credit under 476B. Currently, wind energy producers who want to use this credit must not claim the special property valuation for wind energy conversion property under 427B.26 or the sales tax exemption for wind energy conversion property. The bill would allow a producer to claim the production tax credit while still being eligible to use the special property valuation and the sales tax exemption. [3/26: 49-0 (Warnstadt excused)]

SF 458 allows cities to establish storm water drainage system utility districts to provide for the management of storm water drainage projects. This is similar to the current authority cities have to establish district utilities for sewer and water. A city that establishes a storm water utility would have to follow the same process for establishing a sewer or water utility, which is done by ordinance after notice and public hearings. [4/1: 32-18 (party line)]

SF 459 provides that a geothermal heating or cooling system constructed or installed on new or existing residential property will not increase the value of the property for purposes of property taxation for 10 full assessment years. [3/31: 50-0]

COMMITTEE ACTION:

SF 116 provides that the casual sales exemption under the state sales tax code does not apply to sales of all-terrain vehicles, snowmobiles, off-road motorcycles and off-road utility vehicles. [4/1: 11-6 (Bartz, Feenstra, Hamerlinck, Houser, Ward, Zaun “no”)]

SSB 1190 is the annual Department of Revenue’s policy bill. It deals with many topics including Housing Assistance Withholding Credits, Endow Iowa donations, vehicle registration fees, assistive device tax credit, composite returns, underpayment of estimated taxes, motor fuel tax laws, hotel and motel tax, and property taxes. [3/26: 11-5 (Bartz, Feenstra, Hamerlinck, Ward, Zaun “no”; Houser excused)]

SSB 1313 states that all diesel sold in Iowa must be biodiesel. The bill requires a minimum blend of B5 in 2009, B10 in 2012, and B20 in 2015. The bill also allows the DOT or the Governor to suspend the threshold increases under certain circumstances, creates rules for fuel labeling, and eliminates the biodiesel blended fuel tax credit. [3/26: 11-5 (Dandekar, Feenstra, Hamerlinck, Ward, Zaun “no”; Houser excused)]

SSB 1317 increases the extra personal credit for the elderly and the blind from \$20 to \$40; increases the Earned Income Tax Credit (EITC) from 7 percent to 8 percent refundable; increases the Child and Dependent credit; increases the Early Childhood Development Credit; lowers all individual income tax bracket rates; and makes the tax code simpler and fairer. [4/1: 11-6 (Bartz, Feenstra, Hamerlinck, Houser, Ward, Zaun “no”)]