



Iowa General Assembly
Daily Bills, Amendments & Study Bills
February 12, 2010

House Amendment 8104

PAG LIN

1 1 Amend the amendment, H=8066, to Senate File 2088,
1 2 as amended, passed, and reprinted by the Senate, as
1 3 follows:
1 4 #1. Page 4, after line 24 by inserting:
1 5 <____. Persons employed by a library service area
1 6 prior to July 1, 2010, shall be provided an opportunity
1 7 to interview for a position with the division of
1 8 libraries and information services.>

MASCHER of Johnson
SF2088.1060 (2) 83
kh/rj



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House Amendment 8105

PAG LIN

1 1 Amend the amendment, H=8045, to Senate File 2088,
1 2 as amended, passed, and reprinted by the Senate, as
1 3 follows:
1 4 #1. Page 11, line 41, after <percent.> by inserting
1 5 <Of the fees collected by the department, the amount
1 6 collected representing the ten percent increase in fees
1 7 authorized by this section shall not be deposited in
1 8 the general fund of the state but shall be retained by
1 9 the department for the purposes of the department.>

ISENHART of Dubuque
SF2088.1062 (1) 83
ec/nh



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House Amendment 8106

PAG LIN

1 1 Amend the amendment, H=8045, to Senate File 2088,
1 2 as amended, passed, and reprinted by the Senate, as
1 3 follows:
1 4 #1. Page 2, before line 4 by inserting: #___.
1 5 Page 30, line 4, after <2B.5A.> by inserting
1 6 <The agency shall also submit a copy of the notice to
1 7 the chairpersons and ranking members of the appropriate
1 8 standing committees of the general assembly for
1 9 additional study.>
1 10 #___. Page 31, after line 21 by inserting:
1 11 <Sec. ___. APPLICABILITY. The amendment to section
1 12 17A.4 in this division of this Act, establishing
1 13 requirements for an agency to submit copies of rule
1 14 notices to the chairpersons and ranking members of
1 15 the appropriate standing committees, is applicable
1 16 beginning January 11, 2011. >>
1 17 #2. By renumbering as necessary.

PAULSEN of Linn

MASCHER of Johnson
SF2088.1068 (3) 83
jp/rj



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House Amendment 8107

PAG LIN

1 1 Amend Senate File 2117, as amended, passed, and
1 2 reprinted by the Senate, as follows:
1 3 #1. Page 2, after line 34 by inserting:
1 4 <Sec. _____. CONTINGENT REPEAL. If the United
1 5 States food and drug administration takes
1 6 formal action to decline approval of the use of
1 7 pharmaceutical=delivering contact lenses, this Act is
1 8 repealed. The board of optometry shall immediately
1 9 notify the Code editor upon receipt of information
1 10 that the contingency described in this section has
1 11 occurred.>
1 12 #2. Title page line 2, after <lenses> by inserting
1 13 <and providing a contingency for repeal>
1 14 #3. By renumbering as necessary.

THEDE of Scott
SF2117.1065 (1) 83
jr/nh



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House Amendment 8108

PAG LIN

1 1 Amend House File 2413 as follows:
1 2 #1. Page 1, line 21, by striking <shall> and
1 3 inserting <may>
1 4 #2. Page 1, line 30, by striking <shall> and
1 5 inserting <may>
1 6 #3. Title page, line 1, by striking <directing> and
1 7 inserting <allowing>

RAECKER of Polk
HF2413.1070 (2) 83
kh/nh



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House File 2402 - Introduced

HOUSE FILE
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HF 2129)

A BILL FOR

1 An Act relating to the development of a plan for a stroke
2 triage system and registry.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5740HV (2) 83
pf/nh



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House File 2402 - Introduced continued

PAG LIN

1 1 Section 1. STROKE TRIAGE SYSTEM AND REGISTRY == PLAN. The
1 2 department of public health, in cooperation with the Iowa
1 3 healthcare collaborative as defined in section 135.40,
1 4 shall develop a plan to implement a stroke triage system and
1 5 registry. The plan shall be submitted to the general assembly
1 6 no later than January 15, 2011.

1 7 EXPLANATION

1 8 This bill directs the department of public health, in
1 9 cooperation with the Iowa healthcare collaborative, to develop
1 10 a plan to implement a stroke triage system and registry. The
1 11 plan must be submitted to the general assembly to later than
1 12 January 15, 2011.

LSB 5740HV (2) 83

pf/nh



Iowa General Assembly
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House File 2403 - Introduced

HOUSE FILE
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 626)

A BILL FOR

- 1 An Act making changes to the uniform controlled substances Act.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TL5B 5155HV (2) 83
jm/nh



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House File 2403 - Introduced continued

PAG LIN

1 1 Section 1. Section 124.206, subsection 3, Code 2009, is
 1 2 amended by adding the following new paragraph:
 1 3 NEW PARAGRAPH. ab. Tapentadol.
 1 4 Sec. 2. Section 124.210, subsection 3, Code 2009, is amended
 1 5 by adding the following new paragraph:
 1 6 NEW PARAGRAPH. az. Fospropofol.
 1 7 Sec. 3. Section 124.212, subsection 5, Code Supplement
 1 8 2009, is amended to read as follows:
 1 9 5. Depressants. Unless specifically exempted or excluded
 1 10 or unless listed in another schedule, any material, compound,
 1 11 mixture, or preparation that contains any quantity of any
 1 12 of the following ~~substance~~ substances having a depressant
 1 13 effect on the central nervous system, including ~~its~~ salts of
 1 14 such substances: ~~pregabalin~~

- 1 15 a. Lacosamide [(R)=2=acetoamido=N=benzyl=3=methoxy=
 1 16 propionamide].
- 1 17 b. Pregabalin [(S)=3=(aminomethyl)=5=methylhexanoic acid].

EXPLANATION

1 19 This bill makes changes to the uniform controlled substances
 1 20 Act.

1 21 The bill adds the substance "tapentadol" to the list of
 1 22 opiates classified as schedule II controlled substances.

1 23 The bill adds the substance "fospropofol" to the list of
 1 24 depressants classified as schedule IV controlled substances.

1 25 The bill adds the substance "lacosamide [(R)=2=acetoamido=
 1 26 N=benzyl=3=methoxy=propionamide]" to the list of depressants
 1 27 classified as schedule V controlled substances.

1 28 The substances added to the schedules by the bill are newly
 1 29 developed medications recently approved by the federal food
 1 30 and drug administration and are added to maintain uniformity
 1 31 between state and federal regulations.

1 32 Iowa administrative code rules 657=10.1 through 657=10.40
 1 33 govern the regulation of controlled substances.

LSB 5155HV (2) 83

jm/nh



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House File 2404 - Introduced

HOUSE FILE
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 682)

A BILL FOR

1 An Act requiring certain health insurance contracts, policies,
2 or plans to provide coverage for audiological services and
3 hearing aids for children.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 6189HV (1) 83
av/rj



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House File 2404 - Introduced continued

PAG LIN

1 1 Section 1. NEW SECTION. 514C.26 Audiological services and
1 2 hearing aids for children == coverage.
1 3 1. Notwithstanding the uniformity of treatment requirements
1 4 of section 514C.6, a contract, policy, or plan providing for
1 5 third-party payment or prepayment of health or medical expenses
1 6 shall provide minimum coverage benefits for audiological
1 7 services and hearing aids for children, including but not
1 8 limited to the following classes of third-party payment
1 9 provider contracts, policies, or plans delivered, issued for
1 10 delivery, continued, or renewed in this state on or after
1 11 January 1, 2011:
1 12 a. Individual or group accident and sickness insurance
1 13 providing coverage on an expense-incurred basis.
1 14 b. An individual or group hospital or medical service
1 15 contract issued pursuant to chapter 509, 514, or 514A.
1 16 c. An individual or group health maintenance organization
1 17 contract regulated under chapter 514B.
1 18 d. An individual or group Medicare supplemental policy,
1 19 unless coverage pursuant to such policy is preempted by federal
1 20 law.
1 21 e. A plan established pursuant to chapter 509A for public
1 22 employees.
1 23 2. This section shall not apply to accident-only, specified
1 24 disease, short-term hospital or medical, hospital confinement
1 25 indemnity, credit, dental, vision, long-term care, basic
1 26 hospital and medical=surgical expense coverage as defined
1 27 by the commissioner, disability income insurance coverage,
1 28 coverage issued as a supplement to liability insurance,
1 29 workers' compensation or similar insurance, or automobile
1 30 medical payment insurance.
1 31 3. As used in this section, "minimum coverage for
1 32 audiological services and hearing aids for children" means
1 33 coverage that includes, at a minimum, all of the following:
1 34 a. Coverage for audiological evaluations performed by a
1 35 licensed audiologist.



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House File 2404 - Introduced continued

2 1 b. Coverage for hearing aids that are recommended by a
2 2 licensed audiologist and dispensed by a licensed hearing aid
2 3 dispenser for children up to eighteen years of age.

2 4 c. Coverage for an ear mold and a hearing aid for each
2 5 hearing-impaired ear payable every twenty-four months for
2 6 children up to eighteen years of age and coverage for up to
2 7 four additional ear molds per year for children up to three
2 8 years of age.

2 9 4. The commissioner of insurance shall adopt rules pursuant
2 10 to chapter 17A as necessary to administer this section.

2 11 EXPLANATION

2 12 This bill requires insurers offering certain individual or
2 13 group health insurance contracts, policies, or plans in the
2 14 state to provide coverage for certain audiological services and
2 15 hearing aids for children.

2 16 The provisions of the bill are applicable to third-party
2 17 payment provider contracts, policies, or plans delivered,
2 18 issued for delivery, continued, or renewed in this state on or
2 19 after January 1, 2011.

2 20 The commissioner of insurance is required to adopt rules
2 21 under Code chapter 17A to administer the provisions of the
2 22 bill.

2 23 The bill requires such insurers to provide minimum coverage
2 24 for audiological services and hearing aids for children
2 25 which must include, at a minimum, coverage for audiological
2 26 evaluations performed by a licensed audiologist, coverage for
2 27 hearing aids that are recommended by a licensed audiologist
2 28 and dispensed by a licensed hearing aid dispenser for children
2 29 up to 18 years of age, coverage for an ear mold and a hearing
2 30 aid for each hearing-impaired ear payable every 24 months for
2 31 children up to 18 years of age, and coverage for up to four
2 32 additional ear molds per year for children up to three years
2 33 of age.

LSB 6189HV (1) 83

av/rj



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House File 2405 - Introduced

HOUSE FILE
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 628)

A BILL FOR

1 An Act relating to the confidentiality of information disclosed
2 pursuant to applications for broadband technology project
3 grants, and projects undertaken pursuant thereto, and
4 including effective date and applicability provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5431HV (2) 83
rn/sc



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House File 2405 - Introduced continued

PAG LIN

1 1 Section 1. 2009 Iowa Acts, chapter 173, section 13,
1 2 subsection 5, is amended by adding the following new paragraph:
1 3 NEW PARAGRAPH. e. (1) In establishing the competitive
1 4 process as provided in paragraph "c", subparagraph (2), the
1 5 governance board shall give due regard to the confidentiality
1 6 of certain information disclosed during the application process
1 7 and completion of the project for which funding is disbursed.
1 8 (2) All information contained in an application for a grant
1 9 submitted to the governance board shall remain confidential
1 10 while the governance board is engaged in any of the following:
1 11 (a) Reviewing the application.
1 12 (b) Processing a request for confidentiality.
1 13 (c) Negotiating with the applicant.
1 14 (d) Preparing the application for consideration by the
1 15 governance board.
1 16 (3) The governance board may release certain information
1 17 in an application to a third party for technical review. If
1 18 the governance board releases such information to a third
1 19 party, the governance board shall ensure that the third party
1 20 protects the information from public disclosure. After the
1 21 governance board has considered a request for confidentiality,
1 22 any information not deemed confidential by the governance
1 23 board shall be made publicly available. Any information
1 24 deemed confidential by the governance board shall also be kept
1 25 confidential during and following the completion of the project
1 26 for which funding was disbursed by the governance board.
1 27 (4) The governance board shall consider the written request
1 28 of an applicant or grant recipient to keep confidential
1 29 certain details of an application, a project, or the materials
1 30 submitted in support of an application or project. If the
1 31 request includes a sufficient explanation as to why public
1 32 disclosure of such details would give an unfair advantage to
1 33 competitors, the governance board shall keep such details
1 34 confidential. If the governance board elects to keep certain
1 35 details confidential, the governance board shall release only



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House File 2405 - Introduced continued

2 1 the nonconfidential details in response to a request for
2 2 records pursuant to chapter 22. If confidential details are
2 3 withheld from a request for records pursuant to chapter 22,
2 4 the governance board shall release an explanation of why the
2 5 information was deemed confidential and a summary of the nature
2 6 of the information withheld and the reasons for withholding
2 7 it. In considering requests for confidential treatment, the
2 8 governance board shall narrowly construe the provisions of this
2 9 subsection in order to appropriately balance an applicant's
2 10 need for confidentiality against the public's right to
2 11 information about the governance board's activities.

2 12 (5) If a request for confidentiality is denied by the
2 13 governance board, an applicant may withdraw an application and
2 14 any supporting materials, and the governance board shall not
2 15 retain any copies of the application or supporting materials.
2 16 Upon notice that an application has been withdrawn, the
2 17 governance board shall not release a copy of the application
2 18 or of any supporting materials in response to a request for
2 19 records pursuant to chapter 22.

2 20 (6) Rules shall be adopted by the telecommunications and
2 21 technology commission, in consultation with the utilities board
2 22 and the economic development board, establishing a process for
2 23 considering requests to keep information confidential pursuant
2 24 to this subsection. The commission may adopt emergency
2 25 rules pursuant to chapter 17A to implement this subsection.
2 26 The rules shall include criteria for guiding the governance
2 27 board's decisions about the confidential treatment of applicant
2 28 information. The criteria may include but are not limited to
2 29 the following:

2 30 (a) The nature and extent of competition in the applicant's
2 31 industry sector or service territory.

2 32 (b) The likelihood of adverse financial impact to the
2 33 applicant if the information were to be released.

2 34 (c) Any other factor the governance board reasonably
2 35 considers relevant.



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House File 2405 - Introduced continued

4 1 the bill provides that the board shall release a summary of the
4 2 nature of the information withheld and a statement explaining
4 3 the reasons the information was deemed confidential. In
4 4 considering requests for confidentiality, the bill directs
4 5 the board to narrowly construe the bill's provisions to
4 6 appropriately balance an applicant's need for confidentiality
4 7 against the public's right to information.

4 8 The bill allows an applicant to withdraw an application and
4 9 supporting materials in the event a request for confidentiality
4 10 is denied, and prohibits the board from retaining any copies of
4 11 the application or supporting materials. Upon notice that an
4 12 application has been withdrawn, the bill prohibits the board
4 13 from releasing a copy of the application or of any supporting
4 14 materials in response to a request for records pursuant to Code
4 15 chapter 22.

4 16 The board directs the commission, in consultation with
4 17 the Iowa utilities board and the economic development
4 18 board, to adopt administrative rules regarding requests for
4 19 confidentiality, which shall include criteria for guiding the
4 20 governance board's decisions about the confidentiality of
4 21 applicant information.

4 22 The bill is applicable to requests for confidentiality in
4 23 relation to applications that have been submitted to the board
4 24 and are in process on the bill's effective date. The bill
4 25 takes effect upon enactment.

LSB 5431HV (2) 83

rn/sc



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House File 2406 - Introduced

HOUSE FILE
BY COMMITTEE ON VETERANS
AFFAIRS

(SUCCESSOR TO HSB 539)

A BILL FOR

1 An Act requiring the department of veterans affairs to promote
2 and support the preservation of the U.S.S. Iowa as a naval
3 museum.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TL5B 5345HV (1) 83
ec/rj



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House File 2406 - Introduced continued

PAG LIN

1 1 Section 1. DEPARTMENT OF VETERANS AFFAIRS == U.S.S. IOWA
1 2 NAVAL MUSEUM. The Iowa department of veterans affairs shall
1 3 promote and support the preservation of the battleship U.S.S. ~ owa
as a permanent naval museum.

1 4

1 5

EXPLANATION

1 6 This bill requires the department of veterans affairs to
1 7 promote and support the preservation of the battleship U.S.S.
1 8 Iowa as a permanent naval museum.

LSB 5345HV (1) 83

ec/rj



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House File 2407 - Introduced

HOUSE FILE
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HSB 636)

A BILL FOR

1 An Act establishing certain definitions relating to instruments
2 affecting real estate and specifying information to be
3 contained in index records.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5653HV (1) 83
md/sc



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House File 2407 - Introduced continued

PAG LIN

1 1 Section 1. Section 558.1B, Code 2009, is amended to read as
1 2 follows:

1 3 558.1B Definitions.

1 4 As used in this chapter, unless the context otherwise
1 5 requires: ~~,"book",~~

1 6 1. "Book", "list", "record", or "schedule" kept by a county
1 7 auditor, assessor, treasurer, recorder, sheriff, or other
1 8 county officer means the county system as defined in section
1 9 445.1.

1 10 2. "Grantee" means the name of the transferee in the
1 11 transaction used to create the recording index. For other
1 12 instruments affecting real estate, "grantee" includes but is
1 13 not limited to a buyer, mortgagee, lender, assignee, lessee, or
1 14 party to an affidavit who is not the affiant.

1 15 3. "Grantor" means the name of the transferor in the
1 16 transaction used to create the recording index. For other
1 17 instruments affecting real estate, "grantor" includes but is not
1 18 limited to a seller, mortgagor, borrower, assignor, lessor, or
1 19 affiant.

1 20 Sec. 2. Section 558.49, subsection 7, Code 2009, is amended
1 21 to read as follows:

1 22 7. The description of the real estate ~~conveyed~~ affected by
1 23 the instrument.

1 24 EXPLANATION

1 25 This bill defines the term "grantor" for the purposes of Code
1 26 chapter 558, relating to conveyances, to be the transferor in a
1 27 transaction used to create the recording index. The bill also
1 28 specifies that for other instruments affecting real estate,
1 29 "grantor" includes but is not limited to a seller, mortgagor,
1 30 borrower, assignor, lessor, or affiant. The bill also defines
1 31 the term "grantee" for purposes of Code chapter 558 to be the
1 32 transferee in a transaction used to create the recording index.
1 33 The bill also specifies that for other instruments affecting
1 34 real estate, "grantee" includes but is not limited to a buyer,
1 35 mortgagee, lender, assignee, lessee, or party to an affidavit



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House File 2407 - Introduced continued

2 1 who is not the affiant.
2 2 The bill amends Code section 558.49 relating to the types of
2 3 information kept in index records. The bill requires the index
2 4 to include the description of the real estate affected by the
2 5 instrument rather than the description of the real estate that
2 6 was conveyed.

LSB 5653HV (1) 83

md/sc



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House File 2408 - Introduced

HOUSE FILE
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HF 2143)

A BILL FOR

1 An Act relating to prohibited contracts and activities for
2 civil service commissioners.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5590HV (2) 83
md/sc



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House File 2408 - Introduced continued

PAG LIN

1 1 Section 1. Section 400.2, subsection 2, paragraphs a and b,
1 2 Code Supplement 2009, are amended to read as follows:

1 3 a. Sell to, or in any manner become parties, directly or
1 4 indirectly, to any contract to furnish supplies, material, or
1 5 labor to the city unless the sale is made or the contract is
1 6 awarded pursuant to a competitive bidding process. In no case,
1 7 however, shall a civil service commissioner sell to, or in any
1 8 manner become a party, directly or indirectly, to any contract
1 9 to furnish supplies, material, or labor to the civil service
1 10 commission.

1 11 b. Have an interest, direct or indirect, in any contract or
1 12 job of work or material or the profits thereof or services to
1 13 be furnished or performed for the city unless the contract or
1 14 job is awarded pursuant to a competitive bidding process. In
1 15 no case, however, shall a civil service commissioner have an
1 16 interest, direct or indirect, in any contract or job of work or
1 17 material or the profits thereof or services to be furnished or
1 18 performed for the civil service commission.

1 19 EXPLANATION

1 20 Current Code section 400.2 restricts civil service
1 21 commissioners from entering into certain contracts and
1 22 providing services or materials to the city for which they are
1 23 a commissioner. This bill would allow a commissioner to engage
1 24 in such contracts or activities if the contract, sale, or job
1 25 is awarded pursuant to a competitive bidding process. The
1 26 bill, however, prohibits a commissioner from engaging in such
1 27 contracts or activities with the civil service commission under
1 28 any circumstances.

LSB 5590HV (2) 83
md/sc



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House File 2409 - Introduced

HOUSE FILE
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 674)

A BILL FOR

1 An Act eliminating specified mortgage loan disclosure statement
2 filing requirements applicable to financial institutions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 6185HV (1) 83
rn/nh



Iowa General Assembly
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House File 2409 - Introduced continued

PAG LIN

1 1 Section 1. Section 535A.1, Code 2009, is amended to read as
1 2 follows:
1 3 535A.1 Definitions.
1 4 For purposes of this chapter, unless the context otherwise
1 5 requires:
1 6 1. "Financial institution" means any bank, credit union,
1 7 insurance company, mortgage banking company or savings and loan
1 8 association, industrial loan company, or like institution or
1 9 any other person who makes mortgage loans and which operates or
1 10 has a place of business in this state. "Financial institution"
1 11 does not include an individual who makes less than five
1 12 mortgage loans a year.
1 13 2. "Mortgage loan" means a loan for the purchase,
1 14 construction, improvement, or rehabilitation of residential
1 15 property containing or to contain four or fewer family dwelling
1 16 units in which the property is used as security for the loan.
1 17 ~~3. "Mortgage loan disclosure statement" means the statement~~
~~1 18 required by the federal Home Mortgage Disclosure Act, 12 U.S.C.~~
~~1 19 { 2801 to 2809.~~
1 20 4. 3. "Red=lining" means the practice by which a financial
1 21 institution may designate certain areas as unsuitable for the
1 22 making of mortgage loans and reject applications for mortgage
1 23 loans or vary the terms of a mortgage loan upon property within
1 24 that area because of the prevailing income, racial, or ethnic
1 25 characteristics of the area, or because of the age of the
1 26 structures in the area.
1 27 ~~5. "Reporting financial institution" means a financial~~
~~1 28 institution which is required to file a mortgage loan~~
~~1 29 disclosure statement.~~
1 30 ~~6.~~ 4. "Vary the terms of a mortgage loan" includes, but is
1 31 not limited to the following:
1 32 a. Requiring a greater than average down payment than is
1 33 usual for the particular type of mortgage loan involved.
1 34 b. Requiring a shorter period of amortization than is usual
1 35 for the particular type of mortgage loan involved.



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2 1 c. Charging a higher interest rate or higher loan
2 2 origination fees than is usual for the particular type of
2 3 mortgage loan involved.
2 4 d. An unreasonable underappraisal of real estate or item of
2 5 property offered as security.
2 6 Sec. 2. Section 535A.2, Code 2009, is amended to read as
2 7 follows:
2 8 535A.2 Discriminatory == real estate mortgages.
2 9 1. It is a discriminatory practice for any financial
2 10 institution accepting mortgage loan applications to engage in
2 11 the practice of red=lining as defined in section 535A.1.
2 12 2. This section shall be administered and enforced by the
2 13 following agencies:
2 14 a. The superintendent of banking or the superintendent's
2 15 designee in regard to banks, persons licensed under chapter
2 16 536A, and mortgage banking companies.
2 17 b. The superintendent of savings and loan associations or
2 18 the superintendent's designee in regard to savings and loan
2 19 associations pursuant to chapter 534.
2 20 c. The commissioner of insurance or the commissioner's
2 21 designee pursuant to chapter 505 in regard to all insurance
2 22 companies.
2 23 d. The superintendent of credit unions or the
2 24 superintendent's designee in regard to all credit unions.
2 25 Sec. 3. Section 535A.6, Code 2009, is amended to read as
2 26 follows:
2 27 535A.6 Action for damages.
2 28 1. Any person who has been aggrieved as a result of a
2 29 violation of sections 535A.1 to 535A.9 may bring an action
2 30 in the district court of the county in which the violation
2 31 occurred or in the county where the financial institution
2 32 involved is located.
2 33 2. Upon a finding that a financial institution has committed
2 34 a violation of either section 535A.2, ~~535A.4,~~ or 535A.9 the
2 35 court may award actual damages, court costs, and attorney fees.



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House File 2409 - Introduced continued

3 1 Sec. 4. Section 535A.7, Code 2009, is amended to read as
3 2 follows:
3 3 535A.7 Criminal penalty.
3 4 Any person who knowingly engages in a practice which
3 5 violates the provisions of section 535A.2, ~~535A.4~~ or 535A.9 is
3 6 guilty of a serious misdemeanor.
3 7 Sec. 5. REPEAL. Sections 535A.4 and 535A.5, Code 2009, are
3 8 repealed.

3 9 EXPLANATION

3 10 This bill repeals a provision in Code chapter 535A, relating
3 11 to prohibiting the practice of red=lining in mortgage lending,
3 12 which requires a reporting financial institution to file a copy
3 13 of its federally required mortgage loan disclosure statement
3 14 with the Iowa finance authority by March 31 following the
3 15 calendar year covered by the statement.
3 16 The bill makes conforming changes as necessary to other
3 17 sections of the Code chapter, and repeals Code section 535A.5,
3 18 relating to responsibility for administration of specified Code
3 19 sections, and reinserts it in a modified form in Code section
3 20 535A.2 to which it remains applicable.
3 21 The bill also deletes definitions of reporting financial
3 22 institution and mortgage loan disclosure statement currently
3 23 contained in the Code chapter.

LSB 6185HV (1) 83

rn/nh



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House File 2410 - Introduced

HOUSE FILE
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 529)

A BILL FOR

1 An Act relating to restrictions for drug product selection
2 relative to antiepileptic drugs.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5240HV (2) 83
pf/nh



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House File 2410 - Introduced continued

PAG LIN

1 1 Section 1. Section 155A.32, Code 2009, is amended by adding
1 2 the following new subsection:

1 3 NEW SUBSECTION. 2A. a. The pharmacist shall not exercise
1 4 the drug product selection described in this section for
1 5 an antiepileptic drug or formulation of an antiepileptic
1 6 drug, whether brand name or generic name, prescribed for the
1 7 treatment of epilepsy, prior to meeting all of the following
1 8 requirements:

1 9 (1) Providing notification to the patient or the patient's
1 10 representative.

1 11 (2) Providing notification to the authorized prescriber.

1 12 b. For the purposes of this subsection, "notification"
1 13 shall require the pharmacist to provide written or documented
1 14 verbal communication to the prescriber and patient or patient's
1 15 representative at the time the drug is dispensed. Notification
1 16 to the patient shall include informing the patient or patient's
1 17 representative of the patient's right to reject the drug being
1 18 dispensed.

1 19 c. If any part of the prescription under this subsection
1 20 will be paid by expenditure of public funds authorized under
1 21 chapter 249A, the rules, policies, and procedures applicable
1 22 to prescription drugs under that chapter shall apply to a
1 23 prescription under this subsection.

1 24 d. This subsection shall apply if the patient's condition is
1 25 being treated with a specific drug, strength, dosage form, and
1 26 dosing regimen from a specific manufacturer.

1 27 e. For the purposes of this subsection, drug product
1 28 selection includes dispensing the antiepileptic drug of
1 29 another manufacturer instead of the antiepileptic drug of the
1 30 manufacturer which the patient is currently prescribed, and
1 31 substituting a generic version for a brand version, a brand
1 32 version for a generic version, or a generic version for a
1 33 generic version of a different manufacturer.

1 34 EXPLANATION

1 35 This bill provides an exception to authorization of drug



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House File 2410 - Introduced continued

2 1 product selection by pharmacists by prohibiting such drug
2 2 product selection for an antiepileptic drug or formulation
2 3 of an antiepileptic drug, whether brand name or generic
2 4 name, prescribed for the treatment of epilepsy, unless the
2 5 pharmacist first provides notification to the patient or the
2 6 patient's representative and to the authorized prescriber. The
2 7 bill specifies the requirements for providing notification,
2 8 under what conditions the bill applies, and what drug product
2 9 selection includes under the bill. The bill also provides that
2 10 if any part of the prescription will be paid by expenditure of
2 11 public funds authorized under Code chapter 249A (Medicaid),
2 12 the rules, policies, and procedures applicable to prescription
2 13 drugs under Code chapter 249A are to apply to the prescription.



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House File 2411 - Introduced

HOUSE FILE
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HF 2151)

A BILL FOR

1 An Act modifying provisions applicable to the formation and
2 operation of electric power agencies.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5210HV (2) 83
rn/sc



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House File 2411 - Introduced continued

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1 1 Section 1. Section 12C.1, subsection 1, Code 2009, is
1 2 amended to read as follows:
1 3 1. All funds held by the following officers or institutions
1 4 shall be deposited in one or more depositories first approved
1 5 by the appropriate governing body as indicated: for the
1 6 treasurer of state, by the executive council; for judicial
1 7 officers and court employees, by the supreme court; for the
1 8 county treasurer, recorder, auditor, and sheriff, by the board
1 9 of supervisors; for the city treasurer or other designated
1 10 financial officer of a city, by the city council; for the
1 11 county public hospital or merged area hospital, by the board
1 12 of hospital trustees; for a memorial hospital, by the memorial
1 13 hospital commission; for a school corporation, by the board
1 14 of school directors; for a city utility or combined utility
1 15 system established under chapter 388, by the utility board; for
1 16 a library service area established under chapter 256, by the
1 17 library service area board of trustees; and for an electric
1 18 power agency as defined in section 28F.2 or ~~476A.20~~ 390.9, by
1 19 the governing body of the electric power agency. However,
1 20 the treasurer of state and the treasurer of each political
1 21 subdivision or the designated financial officer of a city shall
1 22 invest all funds not needed for current operating expenses in
1 23 time certificates of deposit in approved depositories pursuant
1 24 to this chapter or in investments permitted by section 12B.10.
1 25 The list of public depositories and the amounts severally
1 26 deposited in the depositories are matters of public record.
1 27 This subsection does not limit the definition of "public funds"
1 28 contained in subsection 2. Notwithstanding provisions of this
1 29 section to the contrary, public funds of a state government
1 30 deferred compensation plan established by the executive council
1 31 may also be invested in the investment products authorized
1 32 under section 509A.12.
1 33 Sec. 2. Section 12C.1, subsection 2, paragraph e,
1 34 subparagraph (4), Code 2009, is amended to read as follows:
1 35 (4) The moneys of an electric power agency as defined in



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2 1 section 28F.2 or ~~476A.20~~ 390.9.
2 2 Sec. 3. Section 28F.1, unnumbered paragraphs 3 and 4, Code
2 3 2009, are amended by striking the unnumbered paragraphs.
2 4 Sec. 4. Section 28F.2, subsection 1, Code 2009, is amended
2 5 to read as follows:
2 6 1. "Electric power agency" means an entity financing or
2 7 acquiring electric power facilities pursuant to this chapter
2 8 or chapter 28E ~~or 476A~~.
2 9 Sec. 5. NEW SECTION. 390.9 Definitions.
2 10 For purposes of this subchapter, unless the context
2 11 otherwise requires:
2 12 1. "Electric power agency" means an entity financing or
2 13 acquiring an electric power facility pursuant to this chapter,
2 14 chapter 28E, or chapter 28F. An electric power agency may
2 15 be organized as a nonprofit corporation, limited liability
2 16 company, or as a separate administrative or legal entity
2 17 pursuant to chapter 28E. When the electric power agency is
2 18 comprised solely of cities or solely of cities and other
2 19 political subdivisions, the electric power agency shall be a
2 20 political subdivision of the state with the name under which it
2 21 was organized, and shall have all the powers of a city or city
2 22 utility under this chapter.
2 23 2. "Facility", "joint facility", "electric power facility",
2 24 or "project" means an electric power generating plant, or
2 25 transmission line or system, including a joint facility as
2 26 defined in section 390.1, subsection 7.
2 27 3. "Public bond or obligation" means an obligation as
2 28 defined in section 76.14.
2 29 Sec. 6. Section 476.1B, subsection 1, paragraph m, Code
2 30 2009, is amended to read as follows:
2 31 m. An electric power agency as defined in ~~chapters~~
2 32 chapter 28F and 476A section 390.9 that includes as a member
2 33 a city or municipally owned utility that builds transmission
2 34 facilities after July 1, 2001, is subject to applicable
2 35 transmission reliability rules or standards adopted by the



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3 1 board for those facilities.
3 2 Sec. 7. REPEAL. Section 476A.20, Code 2009, is repealed.
3 3 Sec. 8. CODE EDITOR'S DIRECTIVE. Section 476A.21 shall be
3 4 transferred to new section 390.10.
3 5 Sec. 9. CODE EDITOR'S DIRECTIVE. Section 476A.22 shall be
3 6 transferred to new section 390.11.
3 7 Sec. 10. CODE EDITOR'S DIRECTIVE. Section 476A.23 shall be
3 8 transferred to new section 390.12.
3 9 Sec. 11. CODE EDITOR'S DIRECTIVE. Section 476A.24 shall be
3 10 transferred to new section 390.13.
3 11 Sec. 12. CODE EDITOR'S DIRECTIVE. Section 476A.25 shall be
3 12 transferred to new section 390.14.
3 13 Sec. 13. CODE EDITOR'S DIRECTIVE. Section 476A.26 shall be
3 14 transferred to new section 390.15.
3 15 Sec. 14. CODE EDITOR'S DIRECTIVE. Section 476A.27 shall be
3 16 transferred to new section 390.16.
3 17 Sec. 15. CODE EDITOR'S DIRECTIVE. Section 476A.28 shall be
3 18 transferred to new section 390.17.
3 19 Sec. 16. CODE EDITOR'S DIRECTIVE. Section 476A.29 shall be
3 20 transferred to new section 390.18.
3 21 Sec. 17. CODE EDITOR'S DIRECTIVE. Section 476A.30 shall be
3 22 transferred to new section 390.19.
3 23 Sec. 18. CODE EDITOR'S DIRECTIVE. Section 476A.31 shall be
3 24 transferred to new section 390.20.
3 25 Sec. 19. CODE EDITOR'S DIRECTIVE. Section 476A.32 shall be
3 26 transferred to new section 390.21.
3 27 Sec. 20. CODE EDITOR'S DIRECTIVE. Section 476A.33 shall be
3 28 transferred to new section 390.22.
3 29 Sec. 21. CODE EDITOR'S DIRECTIVE. Section 476A.34 shall be
3 30 transferred to new section 390.23.
3 31 Sec. 22. CODE EDITOR'S DIRECTIVE. Section 476A.35 shall be
3 32 transferred to new section 390.24.
3 33 Sec. 23. CODE EDITOR'S DIRECTIVE. Section 476A.36 shall be
3 34 transferred to new section 390.25.
3 35 EXPLANATION



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4 1 This bill modifies provisions applicable to the formation
4 2 and operation of electric power agencies. Such agencies are
4 3 currently authorized pursuant to Code chapters 28F and 476A,
4 4 subchapter II, to enter into joint agreements with other
4 5 agencies or entities for the financing, acquisition, and
4 6 operation of projects for the generation and transmission of
4 7 electric energy.

4 8 The bill deletes provisions currently contained in Code
4 9 chapter 28F requiring voter approval for a city to join another
4 10 entity to finance electric power facilities and prohibiting
4 11 submission of the same or similar proposal to the voters sooner
4 12 than one year from the date of the election at which the
4 13 proposal was defeated.

4 14 The bill transfers several Code sections which currently
4 15 constitute Code chapter 476A, subchapter II, to a new
4 16 subchapter in Code section 390, which relates to joint
4 17 electrical utilities. The bill expands the definition of
4 18 "facility", as transferred to the new Code subchapter in Code
4 19 section 390.9, to refer to a joint facility, electric power
4 20 facility, or project, and to include a joint facility as
4 21 defined in Code section 390.1, subsection 7. That definition
4 22 refers to all property necessary or useful for generating,
4 23 purchasing, obtaining by exchange or otherwise acquiring, or
4 24 transmitting electric power and energy, which is owned and
4 25 operated pursuant to a joint agreement.

4 26 Additionally, the bill provides that an electric power
4 27 agency may be organized under Code chapter 390 as a nonprofit
4 28 corporation, limited liability company, or as a separate
4 29 administrative or legal entity pursuant to Code chapter 28E.
4 30 When the electric power agency is comprised solely of cities
4 31 or solely of cities and other political subdivisions, the bill
4 32 specifies that the electric power agency shall be a political
4 33 subdivision of the state of Iowa for purposes of exercising the
4 34 powers conferred in Code chapter 390.

4 35 The bill makes conforming changes consistent with the



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5 1 transfer from Code chapter 476A to Code chapter 390.
LSB 5210HV (2) 83
rn/sc



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House File 2412 - Introduced

HOUSE FILE
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 630)

A BILL FOR

1 An Act relating to and making changes to matters under the
2 purview of the division of banking of the department of
3 commerce, making a penalty applicable, and including
4 effective date provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5394HV (3) 83
rn/sc



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1 1 Section 1. Section 12C.1, subsection 2, paragraph a, Code
1 2 2009, is amended to read as follows:
1 3 a. "Bank" means a corporation or limited liability
1 4 company engaged in the business of banking ~~authorized by law~~
1 5 ~~to receive deposits and whose deposits are insured by the bank~~
1 6 ~~insurance fund or the savings association insurance fund of the~~
1 7 ~~federal deposit insurance corporation and includes any office~~
1 8 ~~of a bank and organized under the laws of this state, another~~
1 9 ~~state, or the United States.~~ "Bank" also means a savings and
1 10 loan, ~~or~~ savings association, or savings bank organized under
1 11 the laws of this state, another state, or the United States.
1 12 Sec. 2. Section 12C.1, subsection 2, Code 2009, is amended
1 13 by adding the following new paragraph:
1 14 NEW PARAGRAPH. Oh. "Superintendent" means the
1 15 superintendent of banking of this state when the depository is
1 16 a bank, and the superintendent of credit unions of this state
1 17 when the depository is a credit union.
1 18 Sec. 3. Section 12C.23A, subsection 1, Code 2009, is amended
1 19 by adding the following new paragraph:
1 20 NEW PARAGRAPH. e. Consent to the jurisdiction and authority
1 21 of the superintendent as provided under section 12C.29.
1 22 Sec. 4. Section 12C.28, Code 2009, is amended to read as
1 23 follows:
1 24 12C.28 Electronic reporting.
1 25 Any notice, information, report, or other communication
1 26 required by this chapter shall be deemed effective and in
1 27 compliance with this chapter if sent or given electronically
1 28 as provided in rules adopted pursuant to chapter 17A by the
1 29 appropriate superintendent or the treasurer of state.
1 30 Sec. 5. NEW SECTION. 12C.29 Authority of superintendent to
1 31 issue orders.
1 32 1. If it appears to the superintendent that a bank is
1 33 violating or has violated, or the superintendent has reasonable
1 34 cause to believe that a bank is about to violate, any provision
1 35 of this chapter or any rules adopted pursuant thereto, or if



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2 1 a bank is less than well capitalized as defined in 12 U.S.C.
2 2 { 1831o(b)(1)(A), or if a bank is subject to a final order or
2 3 written agreement subject to the public disclosure requirements
2 4 of 12 U.S.C. { 1818(u), the superintendent may issue an order
2 5 requiring the bank to do one or more of the following:
2 6 a. Not accept uninsured public funds deposits.
2 7 b. Reduce the amount of uninsured public funds accepted.
2 8 c. Return to the depositors some or all uninsured public
2 9 funds held in demand deposits and, when deposit instruments
2 10 or agreements mature, return to the depositors some or all
2 11 uninsured deposits representing proceeds of such instruments
2 12 or agreements.
2 13 d. Pledge collateral to the treasurer of state, with such
2 14 collateral having a value at all times up to one hundred ten
2 15 percent of the public funds held by the bank.
2 16 e. Comply with such other requirements as the superintendent
2 17 may impose.
2 18 2. An order issued pursuant to this section shall become
2 19 effective upon service of the order on the bank and shall
2 20 remain effective except to such extent modified, terminated, or
2 21 set aside by action of the superintendent or of the district
2 22 court of Polk county as provided in subsection 3.
2 23 3. An order issued pursuant to this section shall contain a
2 24 concise statement of the facts forming the basis for issuing
2 25 the order and shall provide the bank an opportunity to appeal
2 26 the order by requesting a hearing. If the bank requests a
2 27 hearing, the hearing shall be fixed for a date not later than
2 28 thirty days after the service of the order unless a later date
2 29 is set at the request of the bank. If upon the record made
2 30 at the hearing, the superintendent finds that the grounds
2 31 for the order have been established, the superintendent may
2 32 issue and serve upon the bank an order upholding the original
2 33 order. If the superintendent finds the grounds for the order
2 34 have not been established, the superintendent shall set aside
2 35 the original order or modify the order, as the superintendent



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3 1 deems appropriate. An administrative law judge may assist
3 2 the superintendent at the hearing or, at the superintendent's
3 3 request, preside over the hearing. The hearing shall not be
3 4 open to the public. The superintendent's decision shall be
3 5 subject to judicial review in Polk county district court in
3 6 accordance with the provisions of chapter 17A.
3 7 4. An order issued pursuant to this section shall be
3 8 confidential, and the Polk county district court shall review
3 9 the record in camera and shall maintain filings of any judicial
3 10 review filed pursuant to section 3 under seal.
3 11 5. This section is intended to provide the superintendent
3 12 additional authority and regulatory flexibility in regulating
3 13 a bank that accepts public funds deposits and whose financial
3 14 condition, level of public funds, or level of collateral may
3 15 pose a greater than normal risk of loss coverage from the state
3 16 sinking fund applicable for uninsured and unsecured public
3 17 funds.
3 18 6. An act or omission by the superintendent pursuant to this
3 19 section shall not subject the state to liability.
3 20 Sec. 6. Section 524.213, Code 2009, is amended to read as
3 21 follows:
3 22 524.213 Duties and powers of superintendent.
3 23 The superintendent shall have general control, supervision
3 24 and regulation of all state banks and shall be charged with
3 25 the administration, interpretation, and execution of the laws,
3 26 rules, and regulations of this state relating to banks and
3 27 banking and with such other duties and responsibilities as are
3 28 imposed upon the superintendent by the laws of this state. The
3 29 superintendent shall have power to adopt and promulgate such
3 30 rules and regulations as necessary to carry out and enforce,
3 31 properly and effectively, the provisions of this chapter and
3 32 chapter 12C applicable to banks.
3 33 Sec. 7. Section 524.215A, Code 2009, is amended by adding
3 34 the following new subsection:
3 35 NEW SUBSECTION. 4. The division of banking may adopt a



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4 1 record retention policy authorizing the division to destroy
4 2 communications received by electronic mail that are more than
4 3 six months old.
4 4 Sec. 8. Section 524.310, Code 2009, is amended by adding the
4 5 following new subsection:
4 6 NEW SUBSECTION. 5. A state bank using a fictitious name to
4 7 transact business in this state may file its fictitious name
4 8 with the secretary of state by delivering to the superintendent
4 9 for filing with the secretary of state a copy of the resolution
4 10 of its board of directors certified by its secretary, adopting
4 11 the fictitious name. A state bank using a fictitious name
4 12 shall comply with the requirements of section 524.1206 and with
4 13 any other regulatory requirements governing use of its name.
4 14 The fictitious name must be distinguishable upon the record of
4 15 the secretary of state from all of the following:
4 16 a. The corporate name of a business or nonprofit corporation
4 17 incorporated or authorized to transact business in this state.
4 18 b. A corporate name reserved, registered, or protected as
4 19 provided in section 490.402, 490.403, 504.402, or 504.403.
4 20 c. The fictitious name of another foreign business or
4 21 nonprofit corporation authorized to transact business in this
4 22 state.
4 23 Sec. 9. Section 524.602, Code 2009, is amended to read as
4 24 follows:
4 25 524.602 Board of directors == election.
4 26 1. ~~At~~ Except as provided in subsection 2, at the first
4 27 annual meeting of shareholders and at each annual meeting
4 28 thereafter the shareholders shall elect directors to hold
4 29 office until the next succeeding annual meeting. Directors
4 30 shall hold office for one year or until their successors have
4 31 been elected and qualified, unless removed in accordance with
4 32 provisions of section 524.606. When the shareholders determine
4 33 the number of directors at an annual meeting or at a special
4 34 meeting, they shall, at the same meeting, elect a director to
4 35 fill each directorship.



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5 1 2. The articles of incorporation of a state bank may
5 2 authorize directors to be elected to staggered terms of three
5 3 years. At the first meeting of shareholders or at an annual
5 4 or special meeting where the shareholders adopt staggered
5 5 terms for directors, and at each annual meeting thereafter,
5 6 the shareholders shall elect directors to hold office for
5 7 any vacant position. A director shall hold office until the
5 8 director's term expires or until the director's successor has
5 9 been elected and qualified, unless the director is removed in
5 10 accordance with the provisions of section 524.606.
5 11 Sec. 10. Section 524.814, subsection 1, Code 2009, is
5 12 amended to read as follows:
5 13 1. To secure deposits of the state bank or a bank that is
5 14 an affiliate of the state bank when a customer is required
5 15 to obtain such security, or a bank is required to provide
5 16 security, by the laws of the United States, by any agency or
5 17 instrumentality of the United States, by the laws of the state
5 18 of Iowa or another state, by the state board of regents, by a
5 19 resolution or ordinance relating to the issuance of bonds, by
5 20 the terms of any interstate compact or by order of any court
5 21 of competent jurisdiction. The lending of securities to a
5 22 bank that is an affiliate, or the pledging of securities for
5 23 the account of a bank that is an affiliate, shall be on terms
5 24 and conditions that are consistent with safe and sound banking
5 25 practices.
5 26 Sec. 11. Section 524.901, subsection 2, Code 2009, is
5 27 amended to read as follows:
5 28 2. A state bank shall not invest for its own account more
5 29 than fifteen percent of its aggregate capital in investment
5 30 securities of any one obligor. ~~Any~~ The par value of the
5 31 investment securities shall be used to determine the amount
5 32 that may be invested under this subsection, and any premium
5 33 paid by a state bank for any investment securities shall not be
5 34 included in determining the amount that may be invested under
5 35 this subsection.



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6 1 Sec. 12. Section 536.13, subsection 7, paragraph d, Code
6 2 2009, is amended by striking the paragraph and inserting in
6 3 lieu thereof the following:

6 4 d. Except as provided in this subsection, the provisions
6 5 of the Iowa consumer credit code, chapter 537, apply to loans
6 6 regulated by this chapter and supersede conflicting provisions
6 7 of this chapter. Section 537.2402, subsection 1, does not
6 8 apply to loans regulated by this chapter.

6 9 Sec. 13. Section 536A.23, subsection 1, Code 2009, is
6 10 amended to read as follows:

6 11 1. No industrial loan company licensed under the provisions
6 12 of this chapter shall have the power and authority to:

6 13 a. ~~(1) Charge, receive, or collect interest at a rate~~
~~6 14 exceeding ten cents on the hundred by the year, except that~~
~~6 15 the interest may be computed when the note is made on the~~
~~6 16 full amount of the cash advanced on the loan from the date~~
~~6 17 of the note to the date of the final installment thereof,~~
~~6 18 and the interest so computed may be included in the note,~~
~~6 19 notwithstanding any agreement to pay the entire amount in~~
~~6 20 installments; or the interest may be computed on the amount of~~
~~6 21 the note and discounted or collected in advance when the loan~~
~~6 22 is made, notwithstanding any agreement to pay the entire amount~~
~~6 23 in installments. If the note is repayable in other than equal~~
~~6 24 monthly installments, the interest may be an amount computed on~~
~~6 25 the basis of the effective rates permitted as provided above;~~
~~6 26 provided, however, there shall be no compounding of interest~~
~~6 27 and when an interest rate as authorized herein is advertised,~~
~~6 28 or negotiated for with a prospective borrower, with intent that~~
~~6 29 it be computed by either of the two methods authorized herein,~~
~~6 30 they being the "add on" method or the "discount" method, in~~
~~6 31 such case such rate shall be further described as to the method~~
~~6 32 of computation to be used, but interest computed by either~~
~~6 33 method shall be stated to the borrower as provided in section~~
~~6 34 537.3210.~~

6 35 ~~(2) If a borrower elects to repay a loan secured by a~~



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~~7 1 mortgage or deed of trust upon real property which is a~~
~~7 2 single-family or two-family dwelling or agricultural land at~~
~~7 3 a date earlier than is required by the terms of the loan, the~~
~~7 4 licensee shall be governed by section 535.9.~~
7 5 (3) ~~The limitation on interest rate which is contained in~~
~~7 6 this paragraph "a" shall not apply to any loan in which the~~
~~7 7 borrower is a corporation or investment trust or any other~~
~~7 8 person who is referred to in section 535.2, subsection 2.~~
7 9 ~~b. Charge, receive, or collect in advance, a service charge~~
~~7 10 in excess of one dollar for each fifty dollars of the amount of~~
~~7 11 the note, not to exceed a total of one hundred twenty dollars.~~
7 12 a. Charge, receive, or collect interest at a rate exceeding
7 13 the maximum rate of interest allowable for regulated loan
7 14 companies and fixed by the superintendent in accordance with
7 15 the provisions of section 536.13.
7 16 ~~e.~~ b. Require any borrower to purchase insurance from
7 17 the lender as a condition for obtaining a loan. However,
7 18 an industrial loan company may collect from the borrower, at
7 19 the option of the borrower, and transmit the premiums charged
7 20 for insuring real or personal property used by the borrower
7 21 as security for a loan and provided that such insurance is
7 22 obtained from a licensed insurance producer for an insurance
7 23 company authorized to do business in Iowa; and the premiums
7 24 charged for insuring the life of one party on the loan in an
7 25 amount not to exceed the total amount of the note or contract,
7 26 including cash advance, interest and service charge, provided
7 27 that no licensee shall require that the contract of life
7 28 insurance be outstanding for more than the unpaid balance of
7 29 the indebtedness and provided that such insurance is obtained
7 30 from a licensed insurance producer for an insurance company
7 31 authorized to do business in Iowa; and an industrial loan
7 32 company may receive and transmit the premiums charged for
7 33 accident and health insurance on the borrower, provided such
7 34 insurance bears a reasonable relationship to the existing
7 35 hazards or risk of loss, and the aggregate benefits of which



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8 1 shall not exceed the approximate amount of the contractual
8 2 payments on the loan outstanding at the time of loss, and
8 3 provided that such insurance is obtained from a licensed
8 4 producer for an insurance company authorized to do business in
8 5 Iowa. However, all life insurance rates in connection with
8 6 industrial loans shall be subject to the rules and regulations
8 7 of the insurance commissioner of the state of Iowa.

8 8 ~~c.~~ c. Engage in commercial activities or have an affiliate
8 9 that engages in commercial activities. This paragraph shall
8 10 not apply to an industrial loan company with an affiliate that
8 11 is engaged in commercial activities prior to January 1, 2006,
8 12 if control of the industrial loan company is not thereafter
8 13 transferred to an entity that engages in commercial activities
8 14 directly or through an affiliate.

8 15 ~~e.~~ d. Obtain or arrange a residential mortgage loan for a
8 16 potential borrower from a third person, unless the industrial
8 17 loan company also has a mortgage broker license and complies
8 18 with all provisions of chapter 535B.

8 19 Sec. 14. Section 536A.31, subsection 3, Code 2009, is
8 20 amended by striking the subsection and inserting in lieu
8 21 thereof the following:

8 22 3. Except as provided in this subsection, the provisions
8 23 of the Iowa consumer credit code, chapter 537, apply to loans
8 24 regulated by this chapter and supersede conflicting provisions
8 25 of this chapter. Section 537.2402, subsection 1, does not
8 26 apply to loans regulated by this chapter.

8 27 Sec. 15. EFFECTIVE UPON ENACTMENT. The sections of this
8 28 Act amending sections 12C.1, 12C.23A, and 12C.28 and enacting
8 29 section 12C.29, being deemed of immediate importance, take
8 30 effect upon enactment.

8 31 EXPLANATION

8 32 This bill makes changes regarding provisions governing the
8 33 administration and regulation of banks.

8 34 The definition of "bank" contained in Code section 12C.1
8 35 currently refers to a corporation authorized by law to



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House File 2412 - Introduced continued

9 1 receive deposits insured by the bank insurance fund or savings
9 2 association insurance fund of the federal deposit insurance
9 3 fund of the federal deposit insurance corporation. The
9 4 bill adds a limited liability company to the definition and
9 5 substitutes the reference to insured deposits to organization
9 6 under the laws of Iowa, another state, or the United States.
9 7 The bill also adds a savings bank organized under the laws of
9 8 Iowa, another state, or the United States to the definition
9 9 of "bank". The bill also amends Code section 12C.1 to add a
9 10 definition of "superintendent". "Superintendent" is defined to
9 11 refer to either the superintendent of banking in Iowa when the
9 12 depository is a bank and the superintendent of credit unions in
9 13 Iowa when the depository is a credit union. The bill makes a
9 14 corresponding amendment to Code section 12C.28.
9 15 The bill adds new Code section 12C.29, giving the
9 16 superintendent authority to issue orders in the event it
9 17 appears a bank is, has, or is about to violate any provision
9 18 of Code chapter 12C or any rules adopted pursuant thereto, if
9 19 a bank is less than well capitalized as defined in a provided
9 20 reference to the United States Code, or if a bank is subject
9 21 to a final order or written agreement subject to the public
9 22 disclosure requirements of another provided reference to
9 23 the United States Code. If such authority exists, the bill
9 24 provides that the superintendent may issue an order requiring
9 25 the bank not to accept uninsured public funds deposits, to
9 26 reduce the amount of uninsured public funds accepted, to return
9 27 to depositors some or all deposits as specified, to pledge
9 28 collateral to the treasurer of state up to 110 percent of
9 29 the public funds held by the bank, and to comply with such
9 30 other requirements as the superintendent may impose. The bill
9 31 additionally establishes procedures regarding the issuance
9 32 of an order and resulting hearings, states that these are
9 33 intended to provide the superintendent additional authority and
9 34 regulatory flexibility, and provides that an act or omission
9 35 by the superintendent pursuant to this section shall not



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House File 2412 - Introduced continued

10 1 subject the state to liability. The bill provides that the
10 2 acceptance of public funds by a bank constitutes consent to the
10 3 jurisdiction and authority of the superintendent of banking.
10 4 Further, the bill specifies that the duties and powers of the
10 5 superintendent shall include administration, interpretation,
10 6 and execution of the laws, rules, and regulations of Iowa
10 7 relating to banks and banking. This authorization would
10 8 facilitate the establishment of policy for the implementation
10 9 and administration of the Code chapter. The bill authorizes
10 10 the division of banking to adopt a record retention policy
10 11 authorizing the division to destroy e-mails more than six
10 12 months old, adds provisions regarding state bank utilization of
10 13 a fictitious name, establishes election procedures regarding
10 14 the election of directors by bank shareholders, and requires
10 15 that the par value of investment securities be used in
10 16 determining the amount of aggregate capital that a state bank
10 17 may invest in investment securities of any one obligor.
10 18 The bill amends Code section 524.814 to authorize the
10 19 lending or pledging of state bank assets when a customer is
10 20 required to obtain security or a bank is required to provide
10 21 security pursuant to the laws of another state. Violation of
10 22 this section is a serious misdemeanor punishable by confinement
10 23 for no more than one year and a fine of at least \$315 but not
10 24 more than \$1,875.
10 25 The bill provides, with respect to regulated loans under
10 26 Code chapter 536 and industrial loans under Code section
10 27 536A.31, that unless otherwise provided the provisions of the
10 28 Iowa consumer credit code contained in Code chapter 537 are
10 29 applicable and supersede conflicting provisions of Code chapter
10 30 536 and Code section 536A.31. The bill states, however, that
10 31 the provisions of Code section 537.2402, subsection 1, relating
10 32 to creditors authorized to make supervised loans contracting
10 33 for and receiving a finance charge without limitation as to
10 34 amount or rate with respect to a loan pursuant to open-end
10 35 credit, do not apply to loans regulated under Code chapter 536



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House File 2412 - Introduced continued

11 1 or Code section 536A.31.
11 2 Additionally, the bill deletes provisions currently
11 3 applicable to industrial loan companies in Code section 536A.23
11 4 regarding the charging, receiving or collection of interest,
11 5 prepayment of loans secured by specified mortgages or deeds
11 6 of trust, and imposition in advance of service charges. The
11 7 bill substitutes in their place the statement that a licensed
11 8 industrial loan company may not charge, receive, or collect
11 9 interest at a rate exceeding the maximum rate of interest
11 10 allowable for regulated loan companies and fixed by the
11 11 superintendent in accordance with the provisions of Code
11 12 section 536.13.
11 13 The sections of the bill amending Code chapter 12C take
11 14 effect upon enactment, and the sections of the bill amending
11 15 Code chapters 524, 536, and 536A take effect July 1, 2010.
LSB 5394HV (3) 83
rn/sc



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House File 2413 - Introduced

HOUSE FILE
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HF 2189)

A BILL FOR

1 An Act directing school districts to prioritize resources in
2 order to meet the goal of increasing the minimum days or
3 hours of instructional time offered in a school year.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5781HV (1) 83
kh/nh



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House File 2413 - Introduced continued

PAG LIN

1 1 Section 1. Section 279.10, subsection 1, Code 2009, is
1 2 amended to read as follows:
1 3 1. a. The school year shall begin on the first day of July
1 4 and each regularly established elementary and secondary school
1 5 shall begin no sooner than a day during the calendar week
1 6 in which the first day of September falls but no later than
1 7 the first Monday in December. However, if the first day of
1 8 September falls on a Sunday, school may begin on a day during
1 9 the calendar week which immediately precedes the first day of
1 10 September. School shall continue for at least one hundred
1 11 eighty days, except as provided in subsection 3, and may be
1 12 maintained during the entire calendar year. However, if the
1 13 board of directors of a district extends the school calendar
1 14 because inclement weather caused the district to temporarily
1 15 close school during the regular school calendar, the district
1 16 may excuse a graduating senior who has met district or school
1 17 requirements for graduation from attendance during the extended
1 18 school calendar. A school corporation may begin employment
1 19 of personnel for in-service training and development purposes
1 20 before the date to begin elementary and secondary school.
1 21 b. The board of directors of a school district shall
1 22 prioritize the allocation of federal, state, and local moneys
1 23 appropriated or levied and other resources available for the
1 24 purposes of extending the school calendar or the instructional
1 25 hours in a school day, including but not limited to federal
1 26 money to the top fund moneys available from the United States
1 27 department of education under the federal American Recovery
1 28 and Reinvestment Act of 2009, state appropriations and state
1 29 foundation aid, and local instructional support program
1 30 revenues. The primary goal of school districts shall be to
1 31 increase the instructional time required pursuant to this
1 32 subsection or the instructional hours in a day for purposes
1 33 that include but are not limited to closing the achievement gap
1 34 and turning around persistently lowest-achieving schools.

1 35 EXPLANATION



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House File 2413 - Introduced continued

2 1 This bill directs the boards of directors of school
2 2 districts to prioritize the allocation of federal, state,
2 3 and local moneys appropriated or levied and other resources
2 4 available for the purposes of extending the school calendar
2 5 or the instructional hours in a school day, including but
2 6 not limited to federal race to the top fund moneys available
2 7 from the United States department of education under the
2 8 federal American Recovery and Reinvestment Act of 2009,
2 9 state appropriations and state foundation aid, and local
2 10 instructional support program revenues. The bill provides
2 11 that the primary goal of school districts shall be to increase
2 12 the number of days in the school calendar or the instructional
2 13 hours in a day for purposes that include but are not limited
2 14 to closing the achievement gap and turning around persistently
2 15 lowest-achieving schools.

LSB 5781HV (1) 83

kh/nh



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House File 2414 - Introduced

HOUSE FILE
BY COMMITTEE ON VETERANS
AFFAIRS

(SUCCESSOR TO HSB 712)

A BILL FOR

1 An Act relating to service in an honor guard unit on public
2 property.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 6222HV (1) 83
jr/nh



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House File 2414 - Introduced continued

PAG LIN

1 1 Section 1. Section 35A.12, Code 2009, is amended to read as
1 2 follows:

1 3 35A.12 Military honor guard services.

1 4 An honor guard unit made up of members of a recognized
1 5 military veterans organization as listed in section 35A.2 or
1 6 37.2, the Iowa national guard, the reserve or auxiliary forces
1 7 of the United States, or a reserve officers training corps
1 8 shall be allowed to perform any honor guard service on public
1 9 property.

1 10 EXPLANATION

1 11 Code section 35A.12 allows members of a recognized military
1 12 veterans organization of the Iowa national guard, the reserve
1 13 forces of the United States, or a reserve officers training
1 14 corps to perform any honor guard service on public property.
1 15 This bill would allow members of auxiliary forces of the United
1 16 States to also serve in that capacity.

LSB 6222HV (1) 83

jr/nh



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House File 2415 - Introduced

HOUSE FILE
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 609)

A BILL FOR

1 An Act relating to the home modification requirements under the
2 Medicaid home and community-based services waiver for the
3 elderly.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 6041HV (2) 83
pf/nh



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House File 2415 - Introduced continued

PAG LIN

1 1 Section 1. HOME MODIFICATION == REVIEW OF REQUIREMENTS. The
1 2 department of human services, in consultation with the
1 3 department on aging, area agencies on aging, and other
1 4 organizations representing the interests of older Iowans, shall
1 5 review the requirements for home modification under the medical
1 6 assistance home and community-based services waiver for the
1 7 elderly, including the lifetime cap, and recommend options and
1 8 determine the fiscal impact to the state of any changes to the
1 9 requirements, including increasing such cap. The department
1 10 shall report its findings and recommendations resulting from
1 11 this review to the governor and the general assembly no later
1 12 than December 15, 2010.

1 13 EXPLANATION

1 14 This bill directs the department of human services in
1 15 consultation with the department on aging, area agencies on
1 16 aging, and other organizations representing the interests of
1 17 older Iowans, to review the requirements for home modification
1 18 under the medical assistance home and community-based services
1 19 waiver for the elderly, including the lifetime cap, and
1 20 recommend options and determine the fiscal impact to the state
1 21 of any changes to the requirements, including increasing such
1 22 cap. The department is required to report its findings and
1 23 recommendations to the governor and the general assembly no
1 24 later than December 15, 2010.

LSB 6041HV (2) 83

pf/nh



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House File 2416 - Introduced

HOUSE FILE
BY COMMITTEE ON
AGRICULTURE

(SUCCESSOR TO HSB 679)

(COMPANION TO LSB
5283SV by COMMITTEE ON
ENVIRONMENT & ENERGY
INDEPENDENCE)

A BILL FOR

- 1 An Act relating to permits issued under the national pollutant
- 2 discharge elimination system, and making penalties
- 3 applicable.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5283HV (1) 83
da/nh



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House File 2416 - Introduced continued

PAG LIN

1 1 DIVISION I
 1 2 PERSONS CONTESTING THE DENIAL
 1 3 OF APPLICATIONS OR PERMITS ISSUED UNDER NPDES
 1 4 Section 1. Section 455B.174, subsection 4, paragraph b,
 1 5 Code Supplement 2009, is amended to read as follows:
 1 6 b. In addition to the requirements of paragraph "a", a
 1 7 permit shall not be issued to operate or discharge from any
 1 8 disposal system unless the conditions of the permit assure
 1 9 that any discharge from the disposal system meets or will
 1 10 meet all applicable state and federal water quality standards
 1 11 and effluent standards and the issuance of the permit is not
 1 12 otherwise prohibited by the federal Water Pollution Control
 1 13 Act. All applications for discharge permits are subject
 1 14 to public notice and opportunity for public participation
 1 15 including public hearing as the department may by rule require.
 1 16 The director shall promptly notify the applicant in writing
 1 17 of the director's action and, if the permit is denied, state
 1 18 the reasons for denial. ~~The A person who is an applicant~~
 1 19 ~~or permittee may appeal to the commission from~~ contest the
 1 20 denial of a permit or from any condition in any of a permit
 1 21 issued by the director, if the applicant files notice of appeal
 1 22 with person notifies the director within thirty days of the
 1 23 director's notice of denial or issuance of the permit. The
 1 24 director shall notify the applicant within thirty days of the
 1 25 time and place of the hearing. Notwithstanding section 17A.11,
 1 26 subsection 1, if the applicant or permittee timely contests
 1 27 the director's action, the presiding officer in the resulting
 1 28 contested case proceeding shall be an administrative law judge
 1 29 assigned by the division of administrative hearings pursuant
 1 30 to sections 10A.801 and 17A.11.

1 31 DIVISION II
 1 32 NPDES PERMITS ISSUED TO CONFINEMENT FEEDING OPERATIONS
 1 33 Sec. 2. Section 459.311, Code Supplement 2009, is amended by
 1 34 adding the following new subsection:
 1 35 NEW SUBSECTION. 1A. Notwithstanding subsection 1, a



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2 1 confinement feeding operation that is a concentrated animal
2 2 feeding operation as defined in 40 C.F.R. { 122.23(b) shall
2 3 comply with applicable national pollutant discharge elimination
2 4 system permit requirements as provided in the federal Water
2 5 Pollution Control Act, 33 U.S.C. ch. 26, as amended, and 40
2 6 C.F.R. pts. 122 and 412, pursuant to rules that shall be
2 7 adopted by the commission. Any rules adopted pursuant to this
2 8 subsection shall be no more stringent than requirements under
2 9 the federal Water Pollution Control Act, 33 U.S.C. ch. 26, as
2 10 amended, and 40 C.F.R. pts. 122 and 412.

2 11 EXPLANATION

2 12 DIVISION I == PERSONS CONTESTING THE DENIAL OF APPLICATIONS
2 13 OR PERMITS ISSUED UNDER NPDES. This division provides for
2 14 water pollution control permits issued under the federal
2 15 national pollutant discharge elimination system (NPDES). Code
2 16 section 455B.174 provides that a person who has been denied
2 17 an NPDES permit or who has been issued an NPDES permit by the
2 18 director of the department of natural resources may appeal the
2 19 director's decision to the environmental protection commission.
2 20 The commission's decision is the agency's final decision (or
2 21 final agency action) under the Iowa administrative procedure
2 22 Act (Code chapter 17A), meaning that the person may appeal the
2 23 decision to district court under Code section 17A.19. This
2 24 bill provides a substitute procedure. In lieu of a commission
2 25 hearing, the person may initiate a contested case proceeding
2 26 under Code chapter 17A which must be heard by an administrative
2 27 law judge (ALJ).

2 28 DIVISION II == NPDES PERMITS ISSUED TO CONFINEMENT FEEDING
2 29 OPERATIONS. This division amends Code chapter 459, the
2 30 animal agriculture compliance Act (Code section 459.101).
2 31 Generally, a confinement feeding operation is prohibited from
2 32 discharging manure directly into water of the state or into
2 33 a tile line that discharges directly into water of the state
2 34 (Code section 459.311). This bill provides that a confinement
2 35 feeding operation that is classified as a concentrated animal



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3 1 feeding operation under the NPDES must comply with applicable
3 2 NPDES permit requirements pursuant to rules adopted by the
3 3 environmental protection commission. The rules cannot be more
3 4 stringent than federal law.
3 5 A person who violates a provision in Code chapter 459
3 6 relating to water quality is subject to penalties as provided
3 7 in Code section 455B.109 or 455B.191 (see Code section
3 8 459.603). A person in violation of a requirement may be
3 9 assessed a civil penalty by the commission, according to a
3 10 schedule, not to exceed \$10,000 or may be assessed a judicially
3 11 assessed civil penalty of up to \$5,000 per each day of the
3 12 violation.

LSB 5283HV (1) 83

da/nh



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House File 2417 - Introduced

HOUSE FILE
BY COMMITTEE ON VETERANS
AFFAIRS

(SUCCESSOR TO HSB 633)

A BILL FOR

1 An Act relating to assignment of visitation of a child to
2 a family member when a parent is serving active duty in
3 the military service of the United States and including
4 effective date provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 6070HV (7) 83
pf/nh



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House File 2417 - Introduced continued

PAG LIN

1 1 Section 1. NEW SECTION. 598.41D Assignment of visitation ==
1 2 parent serving active duty == family member.
1 3 1. Notwithstanding any provision to the contrary, a parent
1 4 who has been granted court-ordered visitation with the parent's
1 5 minor child may file an application for modification of a
1 6 decree or a petition for modification of an order regarding
1 7 child visitation, prior to or during the time the parent is
1 8 serving active duty in the military service of the United
1 9 States, to temporarily assign that parent's visitation rights
1 10 to a family member of the minor child, as specified by the
1 11 parent. The application or petition shall be accompanied by an
1 12 affidavit from the family member indicating the family member's
1 13 knowledge of the application or petition and willingness to
1 14 exercise the parent's visitation rights during the parent's
1 15 absence.
1 16 2. a. If the active duty of a parent affects the parent's
1 17 ability or anticipated ability to appear at a regularly
1 18 scheduled hearing, the court shall provide for an expedited
1 19 hearing in matters instituted under this section.
1 20 b. If the active duty or anticipated active duty of a parent
1 21 prevents the parent from appearing in person at a hearing, the
1 22 court shall provide, upon reasonable advance notice, for the
1 23 parent to present testimony and evidence by electronic means
1 24 in matters instituted under this section. For the purposes of
1 25 this paragraph, "electronic means" includes communication by
1 26 telephone, video teleconference, or the internet.
1 27 3. The court may grant the parent's request for temporary
1 28 assignment of visitation if the court finds that such
1 29 visitation is in the best interest of the child.
1 30 4. The parent shall provide a copy of the order granting
1 31 assignment of visitation to the school and school district of
1 32 the child to whom the order applies.
1 33 5. An order granting assignment of visitation rights under
1 34 this section does not create separate rights to visitation for
1 35 a person other than the parent.



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2 1 6. An order granting temporary assignment of visitation
2 2 rights pursuant to this section shall terminate upon
2 3 notification of the court by the parent or automatically upon
2 4 the parent's completion of active duty, whichever occurs first.

2 5 7. After a parent completes active duty, if an application
2 6 for modification of a decree or a petition for modification
2 7 of an order is filed, the parent's absence due to active duty
2 8 or the assignment of visitation rights does not constitute a
2 9 substantial change in circumstances, and the court shall not
2 10 consider a parent's absence due to that active duty or the
2 11 assignment of visitation rights in making a determination
2 12 regarding the best interest of the child relative to such an
2 13 application or petition filed after a parent completes active
2 14 duty.

2 15 8. As used in this section, "active duty" means active
2 16 military duty pursuant to orders issued under Tit. X of the
2 17 United States Code. However, this section shall not apply to
2 18 active guard and reserve duty or similar full-time military
2 19 duty performed by a parent when the child remains in actual
2 20 custody of the parent.

2 21 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
2 22 immediate importance, takes effect upon enactment.

2 23 EXPLANATION

2 24 This bill relates to the assignment of visitation of
2 25 a parent serving active duty to a family member of the
2 26 child. The bill provides that a parent who has been granted
2 27 court-ordered visitation with the parent's minor child may
2 28 file an application for modification of a decree or a petition
2 29 for modification of an order regarding child visitation, prior
2 30 to or during the time the parent is serving active duty, to
2 31 temporarily assign that parent's visitation rights to a family
2 32 member of the minor child, as specified by the parent. The
2 33 application or petition must be accompanied by an affidavit
2 34 from the family member indicating the family member's knowledge
2 35 of the application or petition and willingness to exercise the



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3 1 parent's visitation rights during the parent's absence.
3 2 The bill also provides for an expedited hearing on the
3 3 application or petition if the active duty or anticipated
3 4 active duty of the parent affects the parent's ability to
3 5 appear at a regularly scheduled hearing and for presentation
3 6 of testimony and evidence by electronic means if the parent
3 7 is prevented from appearing in person due to the active duty
3 8 or anticipated active duty, upon reasonable advance notice.
3 9 "Electronic means" includes communication by telephone, video
3 10 teleconference, or the internet.
3 11 The court may grant the parent's request for temporary
3 12 assignment of visitation if the court finds that such
3 13 visitation is in the best interest of the child. However, the
3 14 assignment of visitation rights does not create separate rights
3 15 to visitation for a person other than the parent. The parent
3 16 must provide a copy of the order to the school and school
3 17 district of the child. The order granting temporary assignment
3 18 of visitation terminates upon notification of the court by the
3 19 parent or automatically upon the parent's completion of active
3 20 duty, whichever occurs first.
3 21 The bill provides that after a parent completes active duty,
3 22 if an application for modification of a decree or a petition
3 23 for modification of an order is filed, the parent's absence
3 24 due to active duty or the assignment of visitation does not
3 25 constitute a substantial change in circumstances, and the
3 26 court shall not consider a parent's absence due to that active
3 27 duty or the assignment of visitation in making a determination
3 28 regarding the best interest of the child relative to such an
3 29 application or petition filed after a parent completes active
3 30 duty.
3 31 "Active duty" is defined as active military duty pursuant to
3 32 orders issued under Tit. X of the United States Code. However,
3 33 the bill does not apply to active guard and reserve duty or
3 34 similar full-time military duty performed by a parent when the
3 35 child remains in actual custody of the parent.



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House File 2417 - Introduced continued

4 1 The bill takes effect upon enactment.
LSB 6070HV (7) 83
pf/nh



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House File 2418 - Introduced

HOUSE FILE
BY COMMITTEE ON
ENVIRONMENTAL
PROTECTION

(SUCCESSOR TO HSB 664)

A BILL FOR

- 1 An Act relating to periodic evaluations of certain air quality
- 2 standards.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5458HV (2) 83
tm/nh



Iowa General Assembly
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House File 2418 - Introduced continued

PAG LIN

1 1 Section 1. Section 455B.134, Code 2009, is amended by adding
1 2 the following new subsection:

1 3 NEW SUBSECTION. 14. Convene meetings not later than June
1 4 1 during the second calendar year following the adoption
1 5 of new or revised federal ambient air quality standards by
1 6 the United States environmental protection agency to review
1 7 emission limitations or standards relating to the maximum
1 8 quantities of air contaminants that may be emitted from any air
1 9 contaminant source as provided in section 455B.133, subsection
1 10 4. By November 1 of the same calendar year, the department
1 11 shall submit a report to the governor and the general assembly
1 12 regarding recommendations for law changes necessary for the
1 13 attainment of the new or revised federal standards.

1 14 Sec. 2. AIR QUALITY RECOMMENDATIONS. The department
1 15 of natural resources shall convene meetings as necessary
1 16 to develop recommendations for the establishment of state
1 17 implementation plans sufficient to control the direct emissions
1 18 of particulate matter with an aerodynamic diameter of less
1 19 than or equal to two and one-half micrometers and emissions
1 20 of precursor compounds that contribute to the formation of
1 21 particulate matter with an aerodynamic diameter of less than or
1 22 equal to two and one-half micrometers and to prevent ambient
1 23 concentrations from exceeding the federal ambient air quality
1 24 standards for particulate matter with an aerodynamic diameter
1 25 of less than or equal to two and one-half micrometers in all
1 26 areas of the state. By January 1, 2011, the department shall
1 27 submit a report with recommendations to the governor and the
1 28 general assembly. The report shall include recommendations
1 29 necessary to meet the provisions of this section.

1 30 EXPLANATION

1 31 This bill relates to periodic evaluations of certain air
1 32 quality standards.

1 33 The bill requires the director of the department of natural
1 34 resources to convene meetings not later than June 1 during
1 35 the second calendar year following the adoption of new or



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House File 2418 - Introduced continued

2 1 revised federal ambient air quality standards by the United
2 2 States environmental protection agency to review emission
2 3 limitations or standards relating to the maximum quantities of
2 4 air contaminants that may be emitted from any air contaminant
2 5 source. The bill includes reporting requirements.
2 6 The bill requires the department to convene meetings as
2 7 necessary to develop recommendations for the establishment of
2 8 state implementation plans sufficient to control the direct
2 9 emissions of certain particulate matter and emissions of
2 10 precursor compounds that contribute to the formation of certain
2 11 particulate matter and to prevent ambient concentrations from
2 12 exceeding the federal ambient air quality standards for certain
2 13 particulate matter. The bill includes reporting requirements.

LSB 5458HV (2) 83

tm/nh



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House File 2419 - Introduced

HOUSE FILE
BY COMMITTEE ON
AGRICULTURE

(SUCCESSOR TO HSB 688)

A BILL FOR

1 An Act concerning weight limits for vehicles carrying grain,
2 fertilizer, agricultural lime, or agricultural chemicals on
3 noninterstate highways.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 6173HV (3) 83
dea/nh



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House File 2419 - Introduced continued

PAG LIN

1 1 Section 1. Section 321.463, subsection 5, paragraph c, Code
 1 2 Supplement 2009, is amended to read as follows:
 1 3 c. The maximum gross weight allowed to be carried on a
 1 4 ~~livestock or construction vehicle, or a vehicle carrying~~
 1 5 livestock, grain as defined in section 203.1, fertilizer as
 1 6 defined in section 200.3, agricultural lime, or agricultural
 1 7 chemicals on noninterstate highways is as follows:
 1 8 NONINTERSTATE HIGHWAYS
 1 9 MAXIMUM GROSS WEIGHT TABLE
 1 10 ~~LIVESTOCK OR CONSTRUCTION VEHICLE OR VEHICLE~~
 1 11 CARRYING LIVESTOCK, GRAIN, FERTILIZER, AGRICULTURAL LIME,
 1 12 OR AGRICULTURAL CHEMICALS
 1 13 Distance
 1 14 in feet 6 Axles 7 Axles
 1 15 _____
 1 16 44 80,500 80,500
 1 17 45 81,000 81,500
 1 18 46 81,500 82,500
 1 19 47 82,000 83,500
 1 20 48 83,000 84,000
 1 21 49 83,500 85,000
 1 22 50 84,000 86,000
 1 23 51 84,500 87,000
 1 24 52 85,000 88,000
 1 25 53 86,000 88,500
 1 26 54 86,500 89,500
 1 27 55 87,000 90,500
 1 28 56 87,500 91,500
 1 29 57 88,000 92,000
 1 30 58 89,000 93,000
 1 31 59 89,500 94,000
 1 32 60 90,000 95,000
 1 33 61 95,500
 1 34 62 96,000
 1 35 Notwithstanding any provision of this section to the



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2 1 contrary, the maximum gross weight allowed to be carried
2 2 on a noninterstate highway by a ~~livestock~~ vehicle carrying
2 3 livestock, grain as defined in section 203.1, fertilizer as
2 4 defined in section 200.3, agricultural lime, or agricultural
2 5 chemicals with five axles, a minimum distance in feet between
2 6 the centers of the first and fifth axles of sixty-one feet, and
2 7 a minimum distance between the two rear axles of at least eight
2 8 feet and one inch is eighty-six thousand pounds.

2 9 EXPLANATION

2 10 This bill provides weight limitations for vehicles carrying
2 11 grain, fertilizer, agricultural lime, or agricultural chemicals
2 12 that currently apply to livestock and construction vehicles.
2 13 The new weight limitations apply to vehicles with six or seven
2 14 axles traveling on noninterstate highways.

2 15 In addition, current law allows a livestock vehicle with
2 16 five axles, a minimum distance of 61 feet between the centers
2 17 of the first and fifth axles, and a minimum distance of eight
2 18 feet, one inch between the two rear axles to carry a maximum
2 19 gross weight of 86,000 pounds. The bill extends the weight
2 20 allowance to similar vehicles carrying grain, fertilizer,
2 21 agricultural lime, or agricultural chemicals.

2 22 For purposes of the bill, "grain" means any grain for which
2 23 the United States department of agriculture has established
2 24 standards, including soybeans.

LSB 6173HV (3) 83

dea/nh



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House File 2420 - Introduced

HOUSE FILE
BY COMMITTEE ON LABOR

(SUCCESSOR TO HSB 702)

A BILL FOR

1 An Act concerning public employee collective bargaining,
2 including provisions allowing reasonable reimbursement for
3 employee organization services provided to certain executive
4 branch employees, and including applicability provisions.

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

TLSB 5724HV (2) 83

ec/rj



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1 1 Section 1. Section 20.3, Code 2009, is amended by adding the
1 2 following new subsections:

1 3 NEW SUBSECTION. 1A. "Bargaining services" means those
1 4 services provided by an employee organization on behalf of
1 5 public employees in a bargaining unit, exclusive of grievance
1 6 services, relating to collective bargaining and contract
1 7 administration.

1 8 NEW SUBSECTION. 4A. "Executive branch public employee"
1 9 means a public employee who is employed within the executive
1 10 branch of this state.

1 11 NEW SUBSECTION. 6A. "Grievance services" means those
1 12 services provided by an employee organization to an employee
1 13 following the submission of a written grievance by the
1 14 employee to an employer which relate to the adjustment of that
1 15 grievance. For purposes of this subsection "grievance" means a
1 16 dispute over the interpretation or application of a collective
1 17 bargaining agreement.

1 18 Sec. 2. Section 20.8, subsection 4, Code 2009, is amended
1 19 to read as follows:

1 20 4. Refuse to join or participate in the activities of
1 21 employee organizations, including the payment of any dues, fees
1 22 or assessments or service fees of any type, except as provided
1 23 in section 20.32.

1 24 Sec. 3. Section 20.9, unnumbered paragraph 1, Code 2009, is
1 25 amended to read as follows:

1 26 The public employer and the employee organization shall meet
1 27 at reasonable times, including meetings reasonably in advance
1 28 of the public employer's budget-making process, to negotiate in
1 29 good faith with respect to wages, hours, vacations, insurance,
1 30 holidays, leaves of absence, shift differentials, overtime
1 31 compensation, supplemental pay, seniority, transfer procedures,
1 32 job classifications, health and safety matters, evaluation
1 33 procedures, procedures for staff reduction, in-service training
1 34 and other matters mutually agreed upon. Negotiations shall
1 35 also include terms authorizing dues checkoff for members of the



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2 1 employee organization and grievance procedures for resolving
2 2 any questions arising under the agreement, which shall be
2 3 embodied in a written agreement and signed by the parties. If
2 4 an agreement provides for dues checkoff, a member's dues may
2 5 be checked off only upon the member's written request and the
2 6 member may terminate the dues checkoff at any time by giving
2 7 thirty days' written notice. For executive branch public
2 8 employees, negotiations shall include whether nonmembers of the
2 9 employee organization shall reimburse the employee organization
2 10 for bargaining services or grievance services, or both,
2 11 pursuant to section 20.32. Such obligation to negotiate in
2 12 good faith does not compel either party to agree to a proposal
2 13 or make a concession.

2 14 Sec. 4. NEW SECTION. 20.32 Reasonable reimbursement for
2 15 bargaining and grievance services == procedure.

2 16 1. Overview. When a collective bargaining agreement
2 17 between a public employer and a certified employee organization
2 18 representing executive branch public employees, which
2 19 provides that an employee organization may receive reasonable
2 20 reimbursement for bargaining services and grievance services
2 21 provided to nonmembers of the employee organization, is
2 22 reached by ratification of the agreement or by issuance of an
2 23 arbitration award under section 20.22, the provisions of this
2 24 section shall apply.

2 25 2. Bargaining services.

2 26 a. (1) The public employer shall provide the employee
2 27 organization with a list of the names and addresses of
2 28 employees in the bargaining unit represented by the employee
2 29 organization not later than forty=five days prior to the
2 30 date the collective bargaining agreement takes effect. If
2 31 the collective bargaining agreement has a term of more than
2 32 one year, the list shall be provided by the public employer
2 33 annually, not later than thirty days prior to the commencement
2 34 of the next full year of the contract's term.

2 35 (2) Following receipt by the employee organization of a



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3 1 list of employees pursuant to paragraph "a", the employee
3 2 organization shall provide the public employer, if the employee
3 3 organization decides to seek reimbursement for bargaining
3 4 services, with the name of each employee who is not a member
3 5 of the employee organization and is subject to providing
3 6 reasonable reimbursement for bargaining services and the amount
3 7 determined to reasonably reimburse the employee organization
3 8 for bargaining services provided.
3 9 b. (1) The employee organization shall provide the labor
3 10 commissioner with the reasonable reimbursement amount and any
3 11 supporting documentation utilized in determining the reasonable
3 12 reimbursement amount.
3 13 (2) Commencing on the effective date of the collective
3 14 bargaining agreement which provides for the reimbursement
3 15 of bargaining services or, twenty days after the public
3 16 employer's receipt of the names and amounts from the employee
3 17 organization, whichever occurs later, the public employer
3 18 shall, if the employee subject to reasonable reimbursement so
3 19 elects or if the employee does not otherwise reimburse the
3 20 employee organization for bargaining services in a manner
3 21 authorized by the employee organization, deduct by pay period
3 22 or once each month from the wages or salaries of each employee
3 23 required to provide reasonable reimbursement the reasonable
3 24 reimbursement amount specified for that nonmember by the
3 25 employee organization and transmit the amounts deducted to the
3 26 employee organization within thirty days of the deduction.
3 27 (3) A public employee shall not be responsible for
3 28 providing reasonable reimbursement for bargaining services
3 29 prior to the date the public employer is required to deduct
3 30 the reasonable reimbursement amount pursuant to subparagraph
3 31 (2). In addition, if a collective bargaining agreement
3 32 includes a retroactive effective date, the public employee
3 33 shall be responsible for providing reasonable reimbursement for
3 34 bargaining services prospectively only.
3 35 c. For purposes of determining the reasonable reimbursement



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4 1 amount for bargaining services for a nonmember of the employee
4 2 organization, the amount shall not exceed sixty-five percent
4 3 of the regular membership dues that the nonmember would
4 4 have to pay if the nonmember were a member of the employee
4 5 organization for that bargaining unit, shall not include costs
4 6 for grievance services, and shall not include any share of the
4 7 costs incurred by the employee organization for fraternal,
4 8 ideological, political, or other activities that are not
4 9 germane to collective bargaining and contract administration.
4 10 Costs that shall be excluded from the reasonable reimbursement
4 11 amount include but are not limited to costs for social events;
4 12 lobbying on issues or for purposes other than the negotiation,
4 13 ratification, or implementation of a collective bargaining
4 14 agreement; voter registration training; efforts to increase
4 15 voting; training in political campaign techniques; supporting
4 16 or contributing to charitable organizations; and supporting or
4 17 contributing to religious or other ideological causes.
4 18 d. As a precondition to the collection of a reasonable
4 19 reimbursement amount for bargaining services, the employee
4 20 organization shall establish and maintain a full and
4 21 fair procedure that conforms with the requirements of the
4 22 Constitution of the United States and the Constitution of the
4 23 State of Iowa and does all of the following:
4 24 (1) Provides nonmembers of the employee organization
4 25 with an annual notice not later than thirty days prior to
4 26 the commencement of each full year of the contract's term
4 27 which informs them of the reasonable reimbursement amount for
4 28 bargaining services, provides them with detailed financial
4 29 information on the calculation of the reasonable reimbursement
4 30 amount, informs them of the procedure by which a nonmember may
4 31 challenge that amount, and provides them with a mechanism for
4 32 reimbursing the employee organization for bargaining services
4 33 in lieu of a deduction from wages or salaries as provided in
4 34 paragraph "b", subparagraph (2).
4 35 (2) Permits challenges by nonmembers to the reasonable



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5 1 reimbursement amount for bargaining services.
5 2 (3) Provides for the consolidation of all timely challenges
5 3 and for an impartial hearing, before an arbitrator appointed by
5 4 the American arbitration association pursuant to its rules for
5 5 impartial determination of union fees, conducted in accordance
5 6 with those rules and paid for by the employee organization.
5 7 (4) Provides that the burden of proof relating to the
5 8 propriety of the reasonable reimbursement amount for bargaining
5 9 services is on the employee organization.
5 10 (5) Provides that all reasonable reimbursement amounts
5 11 reasonably in dispute while a challenge is pending shall be
5 12 held by the employee organization in an interest-bearing escrow
5 13 account until a final decision is issued by the arbitrator, at
5 14 which time such funds shall be disbursed in accordance with the
5 15 arbitrator's decision.
5 16 e. The employee organization shall notify the public
5 17 employer of any arbitrator's award issued pursuant to the
5 18 challenge procedure specified in paragraph "d" which reduced
5 19 the reasonable reimbursement amount for bargaining services and
5 20 the public employer shall adjust its deduction from the wages
5 21 or salaries of the challenging nonmembers accordingly.
5 22 f. This subsection shall be enforced through an action in a
5 23 court of competent jurisdiction.
5 24 3. Grievance services.
5 25 a. As a precondition to the collection of a reasonable
5 26 reimbursement amount for grievance services, the employee
5 27 organization shall establish and maintain a full and
5 28 fair procedure that conforms with the requirements of the
5 29 Constitution of the United States and the Constitution of the
5 30 State of Iowa and shall provide nonmembers of the employee
5 31 organization with an annual notice, not later than thirty
5 32 days prior to the commencement of each full year of the
5 33 contract's term, which informs them of the maximum reasonable
5 34 reimbursement amount for grievance services, and provides them
5 35 with sufficient information to gauge the propriety of that



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6 1 amount.

6 2 b. If a nonmember of an employee organization subject to
6 3 this section requests and receives grievance services, the
6 4 employee organization shall be entitled to receive reasonable
6 5 reimbursement for the actual cost of the grievance services.
6 6 However, the maximum reasonable reimbursement amount to be
6 7 collected by the employee organization from a nonmember during
6 8 any full year of the contract's term shall not exceed an amount
6 9 equal to ten percent of the annual membership dues that the
6 10 nonmember would have to pay if the nonmember were a member of
6 11 the employee organization for that bargaining unit.

6 12 c. This subsection shall be enforced through an action in a
6 13 court of competent jurisdiction.

6 14 Sec. 5. APPLICABILITY == COLLECTIVE BARGAINING
6 15 AGREEMENTS. The provisions of this Act providing for
6 16 reasonable reimbursement of bargaining services and grievance
6 17 services apply to collective bargaining agreements entered into
6 18 on or after the effective date of this Act.

6 19 EXPLANATION

6 20 This bill concerns executive branch public employee
6 21 collective bargaining with respect to reasonable reimbursement
6 22 of services provided by an employee organization to nonmembers.

6 23 Code section 20.3 is amended to define bargaining services,
6 24 executive branch public employees, and grievance services. The
6 25 bill defines "bargaining services" as those services provided
6 26 to all employees in a bargaining unit, exclusive of grievance
6 27 services, for purposes of collective bargaining and contract
6 28 administration. "Executive branch public employees" is defined
6 29 to include all employees employed within the state executive
6 30 branch. The bill defines "grievance services" to mean those
6 31 services provided by an employee organization on behalf of an
6 32 employee following the submission of a written grievance by the
6 33 employee to an employer which relate to the adjustment of that
6 34 grievance. The bill also defines "grievance".

6 35 Code section 20.9 is amended to provide that, for executive



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7 1 branch public employees, negotiations shall include whether
7 2 nonmembers of the employee organization shall reimburse the
7 3 employee organization for bargaining services or grievance
7 4 services, or both, provided pursuant to the requirements of new
7 5 Code section 20.32.

7 6 New Code section 20.32 establishes the procedures to
7 7 follow if an employee organization representing executive
7 8 branch public employees is entitled, pursuant to a collective
7 9 bargaining agreement, to receive reasonable reimbursement
7 10 for bargaining services and grievance services provided to
7 11 nonmembers of the employee organization.

7 12 For reimbursement of bargaining services, the new Code
7 13 section provides that once an agreement is ratified or an
7 14 arbitration award is issued that provides for reasonable
7 15 reimbursement of bargaining services, the public employer
7 16 shall, no later than 45 days prior to the date the agreement
7 17 takes effect, provide the employee organization with a list of
7 18 employees covered by the agreement. If the agreement has a
7 19 term of more than one year, the employer shall provide the list
7 20 on an annual basis. Once the employee organization receives
7 21 the list, the employee organization, if it decides to receive
7 22 reasonable reimbursement, shall provide the employer with a
7 23 list of each nonmember of the employee organization and the
7 24 reasonable reimbursement amount for bargaining services. The
7 25 employee organization shall also inform the labor commissioner
7 26 of the reasonable reimbursement amount for bargaining services
7 27 and how it was determined. The bill provides that the
7 28 reasonable reimbursement amount for bargaining services shall
7 29 not exceed 65 percent of the regular membership dues that
7 30 the nonmember would have paid as a member, shall not include
7 31 costs for grievance services, and shall not include costs of
7 32 the employee organization that are not costs incurred by the
7 33 employee organization and germane to collective bargaining, and
7 34 contract administration. The bill provides that the public
7 35 employer shall begin deducting the reasonable reimbursement



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8 1 amount for bargaining services from nonmembers upon the later
8 2 of the effective date of the collective bargaining agreement
8 3 or 20 days after the public employer receives the list of
8 4 nonmembers and the amount of the reasonable reimbursement
8 5 amount for bargaining services. The bill provides that no
8 6 retroactive reimbursements are required.

8 7 For reimbursement of grievance services, the new
8 8 Code section provides that if a nonmember of an employee
8 9 organization receives grievance services, the employee
8 10 organization shall be entitled to receive reasonable
8 11 reimbursement for the actual cost of the grievance services.
8 12 However, the bill provides that the maximum reasonable
8 13 reimbursement amount or amounts to be collected by the
8 14 employee organization from a nonmember during any full year
8 15 of the contract's term shall not exceed an amount equal to
8 16 10 percent of the annual membership dues of the employee
8 17 organization. The employee organization may enforce its right
8 18 to reimbursement through an action in a court of competent
8 19 jurisdiction.

8 20 The bill further provides that the provisions of the bill
8 21 providing for reasonable reimbursement of bargaining and
8 22 grievance services shall only apply to collective bargaining
8 23 agreements entered into on or after the effective date of the
8 24 bill.

LSB 5724HV (2) 83

ec/rj



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House File 2421 - Introduced

HOUSE FILE
BY COMMITTEE ON LABOR

(SUCCESSOR TO HSB 699)

A BILL FOR

1 An Act requiring that prevailing wage rates by locality be
2 paid to persons working on public improvements for public
3 bodies, unless by public resolution a political subdivision
4 of the state chooses not to utilize the prevailing wage rate
5 for a public improvement project, providing penalties, and
6 including effective date and applicability provisions.

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

TLSB 5757HV (3) 83

ak/rj



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1 1 Section 1. Section 84A.5, subsection 4, Code Supplement
1 2 2009, is amended to read as follows:
1 3 4. The division of labor services is responsible for the
1 4 administration of the laws of this state under chapters 88,
1 5 88A, 88B, 89, 89A, 89B, 90A, 91, 91A, 91C, 91D, 91E, 91F, 92,
1 6 and 94A, and section 85.68. The executive head of the division
1 7 is the labor commissioner, appointed pursuant to section 91.2.
1 8 Sec. 2. Section 91.4, Code 2009, is amended by adding the
1 9 following new subsection:
1 10 NEW SUBSECTION. 11. To determine the prevailing wage rates
1 11 pursuant to chapter 91F.
1 12 Sec. 3. NEW SECTION. 91F.1 Short title.
1 13 This chapter shall be known and may be cited as the "Public
1 14 Improvement Quality Protection and Safety Act".
1 15 Sec. 4. NEW SECTION. 91F.2 Public policy.
1 16 It is in the public interest that public improvements
1 17 are completed by the best means and highest quality of labor
1 18 reasonably available, and that workers on public improvements
1 19 be compensated according to the real value of the services
1 20 they perform. It is the policy of this state that the wages
1 21 of workers on public improvements should be at least equal to
1 22 the prevailing wage rates paid for similar work by responsible
1 23 contractors in the community as a whole in order to accomplish
1 24 all of the following:
1 25 1. Protect workers and their contractors and subcontractors
1 26 from the effects of serious and unfair competition resulting
1 27 from wage levels detrimental to efficiency and well-being.
1 28 2. Ensure that contractors compete with one another on the
1 29 basis of the ability to perform work competently, efficiently,
1 30 and safely while maintaining community-established compensation
1 31 standards.
1 32 3. Recognize that local participation in public
1 33 improvements and local provision of wage income and benefits
1 34 are essential to the protection of community standards.
1 35 4. Encourage training and education of workers to industry



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2 1 skill standards while requiring safety training.
2 2 5. Encourage contractors and subcontractors to use funds
2 3 allocated for employee fringe benefits for the actual purchase
2 4 of those benefits.
2 5 6. Recognize that political subdivisions, because of
2 6 circumstances unique to their communities at a given time, may
2 7 deem it beneficial to not require that prevailing wage rates be
2 8 paid on a particular public improvement project.
2 9 Sec. 5. NEW SECTION. 91F.3 Definitions.
2 10 As used in this chapter, unless the context otherwise
2 11 requires:
2 12 1. "Commissioner" means the labor commissioner appointed
2 13 pursuant to section 91.2 or the labor commissioner's designee.
2 14 2. "Contractor" or "subcontractor" means a person who
2 15 undertakes, offers to undertake, purports to have the capacity
2 16 to undertake, or submits a bid, individually or through others,
2 17 to engage in a public improvement.
2 18 3. "Division" means the division of labor of the department
2 19 of workforce development.
2 20 4. a. "Fringe benefits" means the following provision or
2 21 purchases of any of the benefits enumerated in paragraph "b".
2 22 (1) Contributions irrevocably made by a contractor or
2 23 subcontractor to a trustee or to a third person pursuant to a
2 24 plan, fund, or program.
2 25 (2) The costs to the contractor or subcontractor which are
2 26 reasonably related to providing benefits to workers pursuant
2 27 to an enforceable commitment to carry out a financially
2 28 responsible plan or program, given in writing to the workers
2 29 affected.
2 30 b. The following benefits are fringe benefits:
2 31 (1) Health insurance.
2 32 (2) Pension, retirement, or annuity benefits.
2 33 (3) Defraying costs of apprenticeship programs approved and
2 34 registered with the United States department of labor's office
2 35 of apprenticeship.



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3 1 5. "Horizontal and transportation infrastructure" means
3 2 water treatment and filtration plants and stations, water
3 3 mains, storm water and sanitary sewers, sewage lagoons,
3 4 drainage projects, tile lines, locks, dams, levees, revetments,
3 5 river channels, retaining walls, shafts, tunnels, subways,
3 6 airport airfields, athletic fields, golf courses, bicycle and
3 7 pedestrian paths, sidewalks, fences, alleys, guard rails,
3 8 parking areas, right-of-way clearing, vertical infrastructure
3 9 site development, bridges, culverts, and roads and street
3 10 public improvement projects as defined in section 306.3.
3 11 6. "Interested party" means any of the following:
3 12 a. A contractor who submits a bid for the purpose of
3 13 securing the award of a contract for a public improvement.
3 14 b. A subcontractor of a contractor mentioned in a bid
3 15 referred to in paragraph "a".
3 16 c. A worker employed by a contractor or subcontractor
3 17 described in either paragraph "a" or "b".
3 18 d. A labor organization that represents workers engaged
3 19 in the same craft or classification as workers employed by a
3 20 contractor or subcontractor described in either paragraph "a"
3 21 or "b" and that exists, in whole or in part, for the purpose
3 22 of negotiating with employers concerning the wages, hours, or
3 23 terms and conditions of employment of employees.
3 24 e. A joint labor-management committee established pursuant
3 25 to the federal Labor Management Cooperation Act of 1978, 29
3 26 U.S.C. { 175a.
3 27 f. The division of labor of the department of workforce
3 28 development.
3 29 g. The department of transportation.
3 30 7. "Locality" means a county of this state and for
3 31 prevailing wage rate purposes is determined by the physical
3 32 location of the public improvement.
3 33 8. "Maintenance work" means the repair of existing public
3 34 improvements when the size, type, or extent of the public
3 35 improvement is not changed or increased.



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4 1 9. "Political subdivision" means a county, city, or school
4 2 district.
4 3 10. "Prevailing wage rate" means the hourly wage rate plus
4 4 fringe benefit rate which the commissioner determines most
4 5 often occurs in accordance with this chapter.
4 6 11. "Public body" means the state or any of its political
4 7 subdivisions, the state board of regents, or a community
4 8 college.
4 9 12. a. "Public improvement" means construction, alteration,
4 10 reconstruction, repair, rehabilitation, refinishing,
4 11 refurbishing, remodeling, renovation, installation, or
4 12 demolition of horizontal and transportation infrastructure or
4 13 vertical infrastructure, where the estimated total cost of the
4 14 improvement is one hundred thousand dollars or more and where
4 15 such improvement meets any of the following requirements:
4 16 (1) Such improvement is undertaken and performed under the
4 17 supervision or direction of a public body.
4 18 (2) Such improvement is located on public property.
4 19 (3) Fifty=five percent or more of the horizontal and
4 20 transportation infrastructure or vertical infrastructure is
4 21 leased to a public body or is subject to a written agreement
4 22 to be leased by a public body, with vertical infrastructure
4 23 exceeding twenty thousand square feet.
4 24 b. "Public improvement" as defined in paragraph "a" includes
4 25 but is not limited to landscaping; site preparation; grading;
4 26 paving; excavation; overlay; moving; wrecking; painting;
4 27 decorating; fabrication of electrical, plumbing, heating,
4 28 cooling, ventilation, architectural systems, structural systems
4 29 or exhaust duct systems; mechanical installation; erection of
4 30 scaffolding; repair, assembly, or disassembly of equipment;
4 31 maintenance work; testing of materials; cleaning and hauling
4 32 of refuse to an outside disposal location; preparation and
4 33 removal of roadway construction zones, lane closures, flagging,
4 34 and traffic diversions; and the transportation of supplies,
4 35 material, and equipment to and from the site.



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5 1 13. "Vertical infrastructure" means buildings, appurtenant
5 2 structures, underground storage tanks, and utilities.
5 3 14. "Wage" means the hourly rate of pay earned by an
5 4 employee and paid by an employer.
5 5 15. a. "Worker" means an individual who performs any
5 6 labor or service for a contractor or subcontractor on a
5 7 public improvement but does not include an individual when
5 8 transporting supplies, materials, or equipment for a seller,
5 9 supplier, manufacturer, or processor of materials or equipment.
5 10 b. The individual is deemed an employee of a contractor or
5 11 subcontractor unless an independent contractor relationship
5 12 between the individual and the contractor or subcontractor is
5 13 intended to be created and all of the following conditions
5 14 apply:
5 15 (1) The contractor or subcontractor does not control or
5 16 direct the performance of services by the individual.
5 17 (2) The contractor or subcontractor is not responsible for
5 18 the payment of the individual's wages.
5 19 (3) The contractor or subcontractor does not have the
5 20 right to discharge the individual or to terminate the working
5 21 relationship with the individual.
5 22 (4) The contractor or subcontractor is not the authority
5 23 in charge of the work or for whose benefit the individual is
5 24 providing services.
5 25 c. An individual classified as an employee under this
5 26 subsection shall also be classified as an employee pursuant to
5 27 chapters 85, 85A, 85B, 88, 91A, and 96.
5 28 Sec. 6. NEW SECTION. 91F.4 Determination of prevailing
5 29 wages.
5 30 1. The commissioner shall determine annually and publish
5 31 on the first business day of July, the prevailing wage rates
5 32 by locality for each craft, classification, or type of worker
5 33 needed to perform work on public improvements. The rates shall
5 34 be conclusive for one year from the date of publication unless
5 35 superseded within the one year by a later publication of the



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6 1 commissioner, or for a longer period as provided in subsection
6 2 5.

6 3 2. The commissioner shall announce all prevailing wage rate
6 4 determinations by locality and give notice by posting them
6 5 on the portion of the department of workforce development's
6 6 internet site related to the division. A printed version of
6 7 the prevailing wage rates for the state shall be available to
6 8 the public upon request to the division.

6 9 3. The public body awarding any contract for a public
6 10 improvement or otherwise undertaking any public improvement,
6 11 shall obtain from the internet site the prevailing wage rate in
6 12 the locality in which the public improvement is to be performed
6 13 for each craft, classification, or type of worker needed
6 14 to perform work on the public improvement. After a public
6 15 improvement contract is awarded, or a public improvement is
6 16 otherwise undertaken, the prevailing wage rate published by the
6 17 commissioner and stated in the public body's public improvement
6 18 procurement documents shall remain in effect throughout the
6 19 duration of the public improvement unless superseded by a later
6 20 determination and publication by the commissioner, or unless
6 21 multiyear prevailing wage rates have been published by the
6 22 commissioner at the time the public improvement procurement
6 23 documents were released.

6 24 4. a. (1) Contractors who are registered with the division
6 25 pursuant to chapter 91C, who participate in an apprenticeship
6 26 program approved by and registered with the United States
6 27 department of labor's office of apprenticeship, and who provide
6 28 fringe benefits for their workers shall submit wage rates and
6 29 fringe benefits rates data once a year to the division. The
6 30 commissioner shall create an internet site and paper forms for
6 31 contractors to submit the required information.

6 32 (2) All parties shall keep the wage rates and fringe
6 33 benefits rates information confidential.

6 34 (3) An individual who intentionally provides misinformation
6 35 about wage rates, fringe benefits rates, or work locations



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7 1 commits a violation under this chapter and shall be assessed
7 2 a one-hundred-dollar penalty per violation. A violation
7 3 under this subsection is grounds for a loss of licensure or
7 4 registration with the division, as applicable, which shall
7 5 be in addition to any penalty otherwise authorized by this
7 6 subsection.
7 7 b. The commissioner shall only accept and use wage rates and
7 8 fringe benefit rates data submitted by contractors that are in
7 9 compliance with this subsection.
7 10 c. The prevailing wage rates and fringe benefits rates
7 11 determined in each locality shall be set at the wage rate and
7 12 fringe benefits rate that thirty percent or more of those
7 13 employed in a particular craft, classification, or type of
7 14 work are paid in total. If a common wage rate and fringe
7 15 benefits rate is not paid to at least thirty percent of those
7 16 employed in a particular craft, classification, or type of
7 17 work, the total of the wage rates and fringe benefits rates
7 18 of all workers in a particular craft, classification, or type
7 19 of work shall be calculated and the average wage rate and
7 20 fringe benefits rate shall be the prevailing wage rate for that
7 21 particular craft, classification, or type of worker in that
7 22 locality, if not less than the federally established prevailing
7 23 wage rate for that locality. If less than the federally
7 24 established prevailing wage rate for that locality, the
7 25 commissioner may utilize the federally established prevailing
7 26 wage rates that apply to that locality.
7 27 5. Notwithstanding other provisions of this chapter to the
7 28 contrary, federal Davis-Bacon Act prevailing wage rates and
7 29 procedures, as defined in 29 C.F.R. pts. 1, 3, and 5, except
7 30 for 29 C.F.R. { 1.8 and 1.9, and administered by the public
7 31 body apply to public improvements that are publicly owned
7 32 horizontal and transportation infrastructure.
7 33 Sec. 7. NEW SECTION. 91F.5 Prevailing wage rate
7 34 determination == objections == appeals.
7 35 1. a. (1) Within fifteen days after the division has



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8 1 published on the department of workforce development's internet
8 2 site the annual prevailing wage rates for each classification,
8 3 craft, or other type of worker in a locality, an interested
8 4 party may seek reconsideration of the determination or part of
8 5 the determination by filing a written objection, which shall
8 6 include a statement of the interested party's views and other
8 7 pertinent information, with the commissioner by restricted
8 8 certified mail as defined in section 618.15.

8 9 (2) Upon receipt of the written objections, the
8 10 commissioner shall respond by modifying or denying the
8 11 determination and providing a written reply by restricted
8 12 certified mail to the interested party within fifteen days from
8 13 the date of the receipt of the written objection.

8 14 (3) The commissioner shall publish a modification to the
8 15 determination within five business days of notification of the
8 16 interested party and the modification shall be effective upon
8 17 publication.

8 18 b. (1) Within ten days upon receiving receipt of the
8 19 commissioner's decision, the interested party may file a
8 20 written appeal to the department of inspections and appeals,
8 21 which shall set a hearing date before an administrative law
8 22 judge, who shall be an attorney.

8 23 (2) The department of inspections and appeals shall give
8 24 notice by restricted certified mail to the interested party and
8 25 the division at least ten days before the hearing date of the
8 26 time and place of the hearing.

8 27 (3) The hearing shall be held within thirty days after the
8 28 department of inspections and appeals receives the interested
8 29 party's written objection, and shall not be postponed or reset
8 30 for a later date except upon the consent, in writing, of both
8 31 the interested party and the division.

8 32 (4) The interested party objecting to the determination
8 33 set by the division shall have the burden of establishing that
8 34 the disputed determination was not determined in accordance
8 35 with this chapter. If the interested party objects to the



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9 1 failure to include a particular craft, classification, or type
9 2 of worker within the annual prevailing wage rate determination
9 3 in a locality, the interested party must establish that the
9 4 particular craft, classification, or type of worker does not
9 5 exist under a different prevailing wage rate classification in
9 6 any of the localities under consideration.

9 7 (5) The administrative law judge may hear each objection
9 8 filed separately or, if applicable, consolidate two or
9 9 more objections about the same determination filed with the
9 10 department of inspections and appeals. The administrative law
9 11 judge shall render a final determination within twenty days
9 12 after the conclusion of the hearing.

9 13 2. An interested party may appeal the final determination
9 14 of the administrative law judge through judicial review as
9 15 provided under section 17A.19.

9 16 3. Notwithstanding section 17A.19, subsection 5, paragraph
9 17 "c", this section does not give reason or provide cause for an
9 18 injunction to halt or delay any public improvement.

9 19 Sec. 8. NEW SECTION. 91F.6 Payment of prevailing wage rates
9 20 required.

9 21 1. Contractors and subcontractors engaged in a public
9 22 improvement shall not pay less than the current specified
9 23 prevailing wage rates per pay period to all of their workers
9 24 engaged in the public improvement. However, this chapter does
9 25 not prohibit the payment of more than the prevailing wage rate
9 26 to any workers engaged in a public improvement.

9 27 2. All contractors and subcontractors required to pay the
9 28 prevailing wage rate under this chapter shall make payment,
9 29 without any deduction for food, sleeping accommodations,
9 30 transportation, use of tools or safety equipment, vehicle
9 31 or equipment rental, or any other thing of any kind or
9 32 description.

9 33 Sec. 9. NEW SECTION. 91F.7 Requirements for public
9 34 improvements.

9 35 1. The public body awarding a contract for a public



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10 1 improvement or otherwise undertaking a public improvement shall
10 2 specify in the call for bids for the contract that this chapter
10 3 applies to the public improvement. All bid specifications
10 4 shall list the specified prevailing wage rates for all crafts,
10 5 classifications, or types of workers in the locality for each
10 6 worker needed to be included in the contract.

10 7 2. If a contract is let for a public improvement requiring
10 8 the payment of prevailing wage rates, the public body
10 9 awarding the contract shall cause to be inserted in the public
10 10 improvement specifications and contract a stipulation that
10 11 no less than the prevailing wage rates shall be paid to all
10 12 workers performing work under the contract. The contract
10 13 shall also contain a provision that if it is found that any
10 14 of the contractor's or subcontractor's workers engaged in the
10 15 public improvement have been paid at a wage rate less than the
10 16 prevailing wage rates required by this chapter, the public body
10 17 may terminate the contractor's or subcontractor's right to
10 18 proceed with the work and the contractor and its sureties shall
10 19 be liable to the public body for any excess costs occasioned by
10 20 the failure to pay the prevailing wage rates. If a subcontract
10 21 is let for a public improvement, the provisions of this
10 22 subsection apply to contracts with lower-tier subcontractors
10 23 and their workers.

10 24 3. A contractor and subcontractor engaging in a public
10 25 improvement shall submit a performance bond in an amount
10 26 determined by the public body.

10 27 4. The public body awarding a contract for a public
10 28 improvement or otherwise undertaking a public improvement shall
10 29 notify the commissioner in writing, on a form prescribed by
10 30 the commissioner, if a contract subject to the provisions of
10 31 this chapter has been awarded. The public body shall file the
10 32 notification with the commissioner within thirty days after
10 33 the contract is awarded or before commencement of the public
10 34 improvement, whichever is sooner, and shall include a list of
10 35 all first-tier subcontractors.



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11 1 5. All workers who perform any labor or service for a
11 2 contractor or subcontractor on a public improvement must
11 3 complete prior to commencing work on the public improvement a
11 4 minimum ten-hour construction safety program approved by the
11 5 United States occupational safety and health administration.
11 6 6. A political subdivision may choose by adopting a
11 7 resolution, after providing public notice of the proposed
11 8 resolution and prior to the letting of a public improvement for
11 9 bids, not to require prevailing wage rates to be paid for the
11 10 particular public improvement.
11 11 Sec. 10. NEW SECTION. 91F.8 Federal public improvements ==
11 12 not applicable.
11 13 The provisions of this chapter shall not be applicable to
11 14 public improvements financed by federal funds which require a
11 15 pay or wage rate determination by the United States department
11 16 of labor. If a public improvement is financed in part by a
11 17 public body and in part by federal funds, the higher of the pay
11 18 or wage rates shall be utilized for the public improvement.
11 19 Sec. 11. NEW SECTION. 91F.9 Records required.
11 20 While participating in a public improvement, the contractor
11 21 and each subcontractor shall do all of the following:
11 22 1. Make and keep, for a period of not less than three years,
11 23 accurate records of all workers employed by the contractor or
11 24 subcontractor on the public improvement. The records shall
11 25 include each worker's name, address, telephone number when
11 26 available, social security number, trade classification, the
11 27 hourly wages paid in each pay period, the number of hours
11 28 worked each day, and the starting and ending times of work each
11 29 day.
11 30 2. Submit monthly certified payroll records to the public
11 31 body responsible for the public improvement. The public body
11 32 shall retain such records for three years.
11 33 3. Post the prevailing wage rates for each craft,
11 34 classification, or type of workers involved in the public
11 35 improvement in a prominent and easily accessible place at the



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12 1 site of the public improvement or at the place or places used
12 2 by the contractor or subcontractor to pay workers their wages.
12 3 Sec. 12. NEW SECTION. 91F.10 Powers of commissioner.
12 4 1. The commissioner and the division shall administer this
12 5 chapter in accordance with chapter 17A, and the commissioner
12 6 shall adopt rules for the administration and enforcement of
12 7 this chapter as provided in section 91.6.
12 8 2. The commissioner shall enforce the provisions of this
12 9 chapter. The commissioner may hold hearings and investigate
12 10 charges of violations of this chapter.
12 11 3. The commissioner may, consistent with due process of law,
12 12 enter any place of employment to inspect records concerning
12 13 wages and payrolls, to question the employer and employees, and
12 14 to investigate such facts, conditions, or matters as are deemed
12 15 appropriate in determining whether any person has violated
12 16 the provisions of this chapter. However, such entry by the
12 17 commissioner shall only be in response to a written complaint.
12 18 4. The commissioner shall develop a written complaint form
12 19 applicable for this chapter and make it available in division
12 20 offices and on the department of workforce development's
12 21 internet site.
12 22 5. The commissioner may sue for injunctive relief against
12 23 the awarding of a contract, the undertaking of a public
12 24 improvement, or the continuation of a public improvement when
12 25 the prevailing wage rate requirements of this chapter have not
12 26 been met.
12 27 6. The commissioner may investigate and ascertain the wages
12 28 of workers engaged in any public improvement in this state.
12 29 7. The commissioner may administer oaths, take or cause to
12 30 be taken depositions of witnesses, and require by subpoena the
12 31 attendance and testimony of witnesses and the production of all
12 32 books, registers, payrolls, and other evidence relative to the
12 33 matter under investigation or hearing.
12 34 8. The commissioner may employ such qualified personnel
12 35 as are necessary for the enforcement of this chapter. Such



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13 1 personnel shall be employed pursuant to chapter 8A, subchapter
13 2 IV.
13 3 9. The commissioner shall require a contractor or
13 4 subcontractor to file, within ten days of receipt of a request,
13 5 any records enumerated in section 91F.9. If the contractor or
13 6 subcontractor fails to provide the requested records within ten
13 7 days, the commission may direct, within fifteen days after the
13 8 end of the ten-day period, that the fiscal or financial officer
13 9 charged with the custody and disbursements of the funds of the
13 10 public body, which contracted for construction of the public
13 11 improvement or undertook the public improvement, to immediately
13 12 withhold from payment to the contractor or subcontractor
13 13 up to twenty-five percent of the amount to be paid to the
13 14 contractor or subcontractor under the terms of the contract
13 15 or written instrument under which the public improvement is
13 16 being performed. The amount withheld shall be immediately
13 17 released upon receipt by the public body of a notice from
13 18 the commissioner indicating that the request for records as
13 19 required by this section has been satisfied.
13 20 Sec. 13. NEW SECTION. 91F.11 Notice of violations.
13 21 1. For purposes of this section:
13 22 a. "Accurate records" means the hourly rate of contribution
13 23 and costs paid for fringe benefits and whether the
13 24 contributions and costs of the fringe benefits were paid into a
13 25 fund or paid directly to the worker.
13 26 b. "Decision" means a determination by the division that a
13 27 single violation of this chapter has occurred, warranting the
13 28 commissioner to issue a notice of violation to a contractor or
13 29 subcontractor.
13 30 c. "Notice of second violation" is a formal written notice
13 31 issued by the division advising a contractor or subcontractor
13 32 that a second or subsequent violation has occurred within three
13 33 years from the date of the notice of a first violation.
13 34 d. "Notice of violation" means a formal written notice
13 35 issued by the division to a contractor or subcontractor



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14 1 that the division has made a decision that the contractor or
14 2 subcontractor has violated this chapter.
14 3 e. "Violation" means a written decision by the division that
14 4 a contractor or subcontractor has done one of the following:
14 5 (1) Failed or refused to pay the prevailing wage rates to
14 6 one or more workers as required by this chapter.
14 7 (2) Failed to keep accurate records as required by this
14 8 chapter.
14 9 (3) Failed to produce for the division accurate records or
14 10 produced records not in compliance with this chapter.
14 11 (4) Refused to submit records or testimony to the division
14 12 in response to a subpoena issued in accordance with this
14 13 chapter.
14 14 (5) Refused the division access, at any reasonable hour at
14 15 a location within the state, to inspect the contractor's or
14 16 subcontractor's records as required by this chapter.
14 17 (6) Failed to insert into a contract, a written stipulation
14 18 that not less than the prevailing wage rates be paid as
14 19 required by this chapter.
14 20 (7) Failed to post the prevailing wage rates as required by
14 21 this chapter.
14 22 (8) Failed to submit or retain certified payroll records.
14 23 2. After receipt of a written complaint by an interested
14 24 party or on the division's initiative, the commissioner shall
14 25 review the investigative file to determine whether a violation
14 26 has occurred for which the contractor or subcontractor must
14 27 be given notice. All information gathered during an audit or
14 28 investigation shall be considered and shall constitute the
14 29 basis for the division's decision that this chapter has been
14 30 violated and that a notice of violation is required to be
14 31 issued. The notice of violation shall identify the specific
14 32 violation and the amount of moneys estimated due the interested
14 33 party and in controversy based on reasons contained in the
14 34 investigative file.
14 35 3. In making a decision that a contractor or subcontractor



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15 1 has failed to allow the commissioner access to accurate
15 2 records, the commissioner shall rely on the information
15 3 contained in the investigative file, and shall assess a
15 4 separate violation for each day worked by each worker on the
15 5 public improvement. Each decision of a separate violation
15 6 shall be listed in the notice of violation.
15 7 4. In determining that this chapter has been violated and
15 8 that the issuance of a notice of violation is required, the
15 9 commissioner shall base the decision on one or any combination
15 10 of the following reasons:
15 11 a. The severity of the violations, which includes the
15 12 following:
15 13 (1) The amount of wages that are determined to be underpaid
15 14 pursuant to this chapter.
15 15 (2) The activity or conduct complained of that violates the
15 16 requirements of this chapter and was not merely a technical,
15 17 nonsubstantive error. Examples of a technical, nonsubstantive
15 18 error include but are not limited to a mathematical error,
15 19 bookkeeping error, transposition of numbers, or computer or
15 20 programming error.
15 21 b. The nature and duration of the present violation and the
15 22 prior history of the contractor or subcontractor related to
15 23 this history. The prior history considered shall not exceed
15 24 seven years before the date of the notice of violation.
15 25 c. Whether the contractor or subcontractor has kept payroll
15 26 records and accurate records for three years and whether
15 27 the contractor or subcontractor produced payroll records in
15 28 accordance with section 91F.9.
15 29 d. Whether the contractor or subcontractor has violated any
15 30 other provision of this chapter.
15 31 5. The notices of the first, second, and subsequent
15 32 violations shall be sent by restricted certified mail,
15 33 addressed to the last known address of the contractor or
15 34 subcontractor involved. The notices shall contain a reference
15 35 to the specific provisions of this chapter alleged to have been



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16 1 violated, identify the particular public improvement involved,
16 2 identify the conduct complained of, and identify whether the
16 3 notice is a first, second, or subsequent notice, and include a
16 4 contractor's or subcontractor's statement of liabilities.
16 5 Sec. 14. NEW SECTION. 91F.12 Violations == remedies.
16 6 1. If the commission determines that a public body has
16 7 divided a public improvement into more than one contract for
16 8 the purpose of avoiding compliance with this chapter, the
16 9 commissioner shall issue an order compelling compliance. In
16 10 making a determination whether a public body has divided a
16 11 public improvement into more than one contract for the purpose
16 12 of avoiding compliance with this chapter, the commissioner
16 13 shall consider all of the following:
16 14 a. The physical separation of the public improvement
16 15 structures.
16 16 b. The timing of the work on the public improvement phases
16 17 or structures.
16 18 c. The continuity of public improvement contractors and
16 19 subcontractors working on public improvement parts or phases.
16 20 d. The manner in which the public body and the contractor
16 21 and subcontractors administer and implement work on the public
16 22 improvement.
16 23 2. A worker employed by the contractor and subcontractor
16 24 who is paid less than the specified prevailing wage rates
16 25 under this chapter shall have a private right of action for
16 26 the difference between the amount so paid and the specified
16 27 prevailing wage rates, and punitive damages, if appropriate,
16 28 together with costs and reasonable attorney fees as shall be
16 29 allowed by the court, and the contractor or subcontractor shall
16 30 additionally be liable to the division for fifty percent of the
16 31 underpayments.
16 32 3. If a second or subsequent action to recover underpayments
16 33 is brought against a contractor or subcontractor within a
16 34 three-year period and the contractor or subcontractor is
16 35 found liable for underpayments to a worker, the contractor or



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17 1 subcontractor shall be liable to the division for seventy-five
17 2 percent of the underpayments payable as a result of the second
17 3 or subsequent action. The three-year period begins to run from
17 4 the date the contractor or subcontractor is determined liable
17 5 for the first violation.

17 6 4. The commissioner and any interested party shall also
17 7 have a right of action on behalf of a worker who has a right
17 8 of action under this chapter. An action brought to recover
17 9 the same shall be deemed to be a suit for wages, and all
17 10 judgments entered in the action shall have the same force and
17 11 effect as other judgments for wages. At the request of a
17 12 worker employed by a contractor or subcontractor who is paid
17 13 less than the prevailing wage rates required by this chapter,
17 14 the commissioner may take an assignment of the wage claim
17 15 in trust for the assigning worker and may bring any legal
17 16 action necessary to collect the claim, and the contractor or
17 17 subcontractor shall be required to pay the expenses of the
17 18 division incurred in collecting the claim.

17 19 5. a. It is a violation of this chapter for a contractor or
17 20 subcontractor to do any of the following:

17 21 (1) To request or demand, either before or after the worker
17 22 is engaged, that a worker pay back, return, donate, contribute,
17 23 or give any part or all of the worker's pay, salary, or thing of
17 24 value, to any person, upon the statement, representation, or
17 25 understanding that failure to comply with the request or demand
17 26 will prevent the worker from procuring or retaining employment.

17 27 (2) To directly or indirectly pay, request, or authorize any
17 28 other person to violate this chapter.

17 29 b. This subsection does not apply to an agent or
17 30 representative of a duly constituted labor organization acting
17 31 in the collection of dues or assessments from the members of
17 32 the organization.

17 33 6. In addition to other penalties provided under this
17 34 chapter, whoever induces a worker working on a public
17 35 improvement subject to this chapter to give up or forego



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18 1 any part of the prevailing wage rates to which the worker
18 2 is entitled under this chapter by threat not to employ or
18 3 by threat of dismissal from employment commits a serious
18 4 misdemeanor. An agreement between the worker and the
18 5 contractor or subcontractor to work for less than the specified
18 6 prevailing wage rates shall not be a defense to criminal
18 7 prosecution.

18 8 7. A contract shall not be awarded for a period of up
18 9 to three years to a contractor or subcontractor who, on
18 10 two separate occasions within a three-year period, has been
18 11 determined by the commissioner to have violated this chapter.

18 12 8. If the division determines that a contractor or
18 13 subcontractor has violated this chapter on two separate
18 14 occasions within a three-year period, the division shall list
18 15 on the department of workforce development's internet site and
18 16 keep on record the name of the contractor or subcontractor and
18 17 give notice by restricted certified mail of the list to any
18 18 public body requesting the list.

18 19 9. Upon a determination that a contractor or subcontractor
18 20 may have violated this chapter on two separate occasions within
18 21 a three-year period, the division shall notify the violating
18 22 contractor or subcontractor by restricted certified mail.

18 23 a. The contractor or subcontractor has thirty working days
18 24 to request of the division a hearing before an administrative
18 25 law judge on the alleged violation. Failure to respond within
18 26 thirty working days shall result in an immediate and indefinite
18 27 barring of the violator from work on public improvements
18 28 and placement and publication of the violator's name on the
18 29 department of workforce development's internet site.

18 30 b. If the contractor or subcontractor requests a hearing
18 31 within thirty working days by restricted certified mail, the
18 32 department of inspections and appeals shall set a hearing
18 33 before an administrative law judge on the alleged violation to
18 34 determine the length of the contractor's or subcontractor's
18 35 bar, if any, not to exceed three years. The hearing shall take



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19 1 place no later than thirty calendar days after the receipt by
19 2 the division of the request for a hearing. An action by an
19 3 administrative law judge constitutes final agency action and is
19 4 subject to judicial review under section 17A.19.

19 5 10. This section does not give reason or provide cause for
19 6 an injunction to halt or delay any public improvement. Any
19 7 penalties recovered pursuant to this chapter shall be deposited
19 8 in the general fund of the state.

19 9 Sec. 15. NEW SECTION. 91F.13 Apprentices.

19 10 This chapter shall not prevent the employment of apprentices
19 11 on public improvements. However, an apprentice employed
19 12 on a public improvement must be registered with the United
19 13 States department of labor's office of apprenticeship under
19 14 an apprenticeship program registered with that office, paid
19 15 the proper wages specified in the standards of apprenticeship,
19 16 and engaged only in the trade to which the apprentice is
19 17 registered. If the apprentice is employed on a public
19 18 improvement in a trade to which the apprentice is not
19 19 registered with the United States department of labor's office
19 20 of apprenticeship, the apprentice shall be treated as any other
19 21 worker under this chapter.

19 22 Sec. 16. IMPLEMENTATION OF ACT. Section 25B.2, subsection
19 23 3, shall not apply to this Act.

19 24 Sec. 17. EMERGENCY RULES. The commissioner may adopt
19 25 emergency rules under section 17A.4, subsection 3, and section
19 26 17A.5, subsection 2, paragraph "b", to implement the provisions
19 27 of this Act and the rules shall be effective immediately upon
19 28 filing unless a later date is specified in the rules. Any
19 29 rules adopted in accordance with this section shall also be
19 30 published as a notice of intended action as provided in section
19 31 17A.4.

19 32 Sec. 18. TEMPORARY WAGE RATE DETERMINATIONS ==
19 33 APPLICABILITY. Until such time after the first annual review
19 34 of data required pursuant to this Act is completed, the
19 35 commissioner may utilize the wage rates and fringe benefits



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20 1 rates as set by the federal Davis=Bacon Act, 40 U.S.C. { 3141,
20 2 et seq.

20 3 Sec. 19. EFFECTIVE UPON ENACTMENT. This Act, being deemed
20 4 of immediate importance, takes effect upon enactment.

20 5 EXPLANATION

20 6 This bill creates the "Public Improvement Quality Protection
20 7 and Safety Act".

20 8 A contractor is required to pay workers the same hourly
20 9 wage plus fringe benefits for certain public improvements as
20 10 the contractor would pay workers for a private construction
20 11 or improvement project. The bill provides that the per-hour
20 12 wage rate be based on what is normally paid in the area by
20 13 contractors for similar projects, and to be adjusted on a
20 14 yearly basis by the department of workforce development. The
20 15 bill includes specific criteria, such as cost of the public
20 16 improvement, for the project to qualify for the prevailing wage
20 17 rate.

20 18 The wage rates that the workers must be paid shall also
20 19 include fringe benefits such as health insurance, retirement
20 20 benefits, and costs of apprenticeship programs. The bill
20 21 applies to any public improvement that receives money from a
20 22 public body and includes most types of public improvements from
20 23 construction to painting to hauling.

20 24 According to Code section 91F.4, the labor commissioner
20 25 determines the wage rates for specific localities and for
20 26 specific crafts, classifications, and types of workers. This
20 27 information must be posted on the department of workforce
20 28 development's internet site.

20 29 As presented in Code section 91F.5, an interested party
20 30 affected by the wage rates has 15 days after the department of
20 31 workforce development has posted the wage rates on its internet
20 32 site to object in writing, stating the specific reason for the
20 33 objection, to the labor commissioner. The commissioner must
20 34 respond and either affirm or modify the determination within 15
20 35 days of receiving the objection. The commissioner must publish



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21 1 any modification within five days.

21 2 Within 10 days of the commissioner's decision, the
21 3 interested party may submit an objection in writing to the
21 4 department of inspections and appeals. A hearing must be set
21 5 by the department before an administrative law judge within
21 6 30 days after the objection is filed. The administrative law
21 7 judge must make a decision about the wage rate within 20 days
21 8 and it is considered a final determination. The decision may
21 9 be appealed through judicial review under Code section 17A.19.

21 10 The bill provides in Code section 91F.6 that contractors
21 11 and subcontractors must not pay the workers less than the
21 12 established wage rate but does not prohibit them from paying
21 13 the workers more than the wage rate. The wage rate must be
21 14 paid without any deductions for food, sleeping quarters, use
21 15 of tools, or safety equipment.

21 16 The bill lists the requirements for public improvements
21 17 in Code section 91F.7, which include the requirement that a
21 18 public body monitor the contractors and subcontractors to
21 19 ensure that the wage rate is paid. A call for bids must state
21 20 that the wage rate must be included in the bids for the public
21 21 improvement. All bids shall list the specific wage rates for
21 22 each craft, classification, and type of worker needed for the
21 23 public improvement. All contractors and subcontractors are
21 24 required to sign a contract that states they will pay workers
21 25 the wage rate determined by the division. All workers who
21 26 will perform on a public improvement must complete at least a
21 27 10-hour federal occupational safety and health administration
21 28 approved safety program before the public improvement begins.
21 29 If the contractors and subcontractors are found to not be
21 30 paying the wage rate, the contractor's or subcontractor's right
21 31 to work on the public improvement and get paid for work already
21 32 done may be terminated. A political subdivision may choose to
21 33 not require prevailing wage rates for a public improvement by
21 34 adopting a resolution. The public must be given prior notice
21 35 of the proposed resolution prior to the letting of bids.



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22 1 According to Code section 91F.8, the bill does not apply
22 2 to public improvement funded by the federal government. If a
22 3 public improvement is financed by both a state public body and
22 4 the federal government, then the higher of the applicable wage
22 5 rates shall be paid to the workers.
22 6 Contractors and subcontractors are required to keep detailed
22 7 records for at least three years about the workers, the rates
22 8 paid, and the hours worked for each public improvement pursuant
22 9 to Code section 91F.9. Contractors and subcontractors must
22 10 also post the wage rates for each craft, classification, and
22 11 type of worker in a public place where workers can see the
22 12 posting or at the place where they receive their wages.
22 13 The commissioner is given specific powers in Code section
22 14 91F.10 for administration, investigation, enforcement,
22 15 and penalization; including the power to sue to prevent a
22 16 contractor or subcontractor from being awarded a contract
22 17 for a public improvement when the wage rate requirements
22 18 have not been met or to withhold payments if a contractor or
22 19 subcontractor does not produce records upon request.
22 20 After receiving a written complaint, the commissioner shall
22 21 investigate whether there has been a violation pursuant to
22 22 Code section 91F.11. If the commissioner determines there
22 23 has been a violation, the contractor or subcontractor must be
22 24 given notice of that violation. The notice is a formal written
22 25 statement from the department of workforce development that
22 26 states the specific violation and the amount of money due as
22 27 a penalty.
22 28 Code section 91F.12 contains the violations and penalties
22 29 for public bodies that divide a public improvement to avoid
22 30 paying the prevailing wage rates. The Code section also
22 31 covers the penalties for contractors who fail to pay workers
22 32 the prevailing wage rates and the remedies for workers.
22 33 The process of notice and penalties for first, second, and
22 34 subsequent violations by contractors are described as well.
22 35 In addition to other penalties under this law, anyone who



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23 1 attempts to get a worker to give up any part of compensation
23 2 on a public improvement by threat not to hire or by threat of
23 3 firing commits a serious misdemeanor. A serious misdemeanor
23 4 is punishable by confinement for no more than one year and a
23 5 fine of at least \$315 but not more than \$1,875. Any agreement
23 6 to work for less than the determined wage rate is not a defense
23 7 to criminal prosecution.

23 8 In Code section 91F.13, apprentices employed on a
23 9 public improvement must be registered with the office of
23 10 apprenticeship in the United States department of labor.
23 11 Apprentices must receive the wages set out in the standards of
23 12 apprenticeship and do only the work specified in the trade to
23 13 which they are apprenticed. An apprentice not registered with
23 14 the federal program shall be paid the wage rate the same as any
23 15 other worker.

23 16 The bill may include a state mandate as defined in Code
23 17 section 25B.3. The bill makes inapplicable Code section 25B.2,
23 18 subsection 3, which would relieve a political subdivision from
23 19 complying with a state mandate if funding for the cost of
23 20 the state mandate is not provided or specified. Therefore,
23 21 political subdivisions are required to comply with any state
23 22 mandate included in the bill.

23 23 The commissioner may adopt emergency rules to implement
23 24 the provisions of this bill and the rules will be effective
23 25 immediately upon filing unless a later date is specified.

23 26 The commissioner may use the wage rates and fringe benefits
23 27 rates as set by the federal Davis-Bacon Act until such time as
23 28 the commissioner is able to determine wage rates and fringe
23 29 benefits rates for the localities in the bill.

23 30 The bill takes effect upon enactment.

LSB 5757HV (3) 83

ak/rj



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House File 2422 - Introduced

HOUSE FILE
BY COMMITTEE ON REBUILD
IOWA AND DISASTER
RECOVERY

(SUCCESSOR TO HSB 576)

A BILL FOR

- 1 An Act relating to disaster recovery case management.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TL5B 5351HV (2) 83
tm/nh



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1 1 Section 1. NEW SECTION. 29C.20B Disaster case management.
1 2 1. The rebuild Iowa office shall work with the department
1 3 of human services and nonprofit, voluntary, and faith-based
1 4 organizations active in disaster recovery and response
1 5 in coordination with the homeland security and emergency
1 6 management division to establish a statewide system of disaster
1 7 case management to be activated following the governor's
1 8 proclamation of a disaster emergency or the declaration
1 9 of a major disaster by the president of the United States
1 10 for individual assistance purposes. Under the system, the
1 11 department of human services shall coordinate case management
1 12 services locally through local committees as established in
1 13 each local emergency management commission's emergency plan.
1 14 Beginning July 1, 2011, the department of human services
1 15 shall assume the duties of the rebuild Iowa office under this
1 16 subsection.
1 17 2. The department of human services, in conjunction with
1 18 the rebuild Iowa office, the homeland security and emergency
1 19 management division, and an Iowa representative to the national
1 20 voluntary organizations active in disaster, shall adopt rules
1 21 pursuant to chapter 17A to create coordination mechanisms
1 22 and standards for the establishment and implementation of
1 23 a statewide system of disaster case management which shall
1 24 include at least all of the following:
1 25 a. Disaster case management standards.
1 26 b. Disaster case management policies.
1 27 c. Reporting requirements.
1 28 d. Eligibility criteria.
1 29 e. Coordination mechanisms necessary to carry out the
1 30 services provided.
1 31 f. Develop formal working relationships with agencies and
1 32 create interagency agreements for those considered to provide
1 33 disaster case management services.
1 34 g. Coordination of all available services for individuals
1 35 from multiple agencies.



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2 1 Sec. 2. BUSINESS DISASTER CASE MANAGEMENT TASK FORCE.
2 2 1. A business disaster case management task force is
2 3 established to research disaster recovery case management
2 4 assistance needed for businesses following a major disaster.
2 5 The task force shall recommend steps for preparing to provide
2 6 such assistance following disasters.
2 7 2. The task force shall consult with experts, businesses
2 8 impacted by previous disasters, and other interested
2 9 stakeholders.
2 10 3. The task force shall submit written recommendations to
2 11 the governor and the general assembly by November 15, 2010.
2 12 4. The rebuild Iowa office shall provide staffing for the
2 13 task force.
2 14 5. The task force shall consist of the following members
2 15 appointed by the governor:
2 16 a. A representative of the United States small business
2 17 administration.
2 18 b. A representative of Iowa small business development
2 19 centers.
2 20 c. A representative of the safeguard Iowa partnership.
2 21 d. A representative of professional developers of Iowa.
2 22 e. A representative of the Iowa association of business and
2 23 industry.
2 24 f. A representative of the Iowa retail federation.
2 25 g. A representative of the department of economic
2 26 development.
2 27 h. A representative of the homeland security and emergency
2 28 management division of the department of public defense.
2 29 i. Two business owners.
2 30 j. A representative of the Iowa association of regional
2 31 councils.
2 32 k. A representative of the Iowa emergency management
2 33 association.
2 34 6. Four ex officio, nonvoting members, two from each chamber
2 35 of the general assembly, shall be appointed, with no more than



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3 1 one appointed from the same political party from each chamber.
3 2 The majority leader of the senate, the minority leader of the
3 3 senate, the speaker of the house of representatives, and the
3 4 minority leader of the house of representatives shall each
3 5 appoint one legislative member. The members appointed under
3 6 this subsection shall not be eligible for per diem and expenses
3 7 as provided in section 2.10.

3 8 7. Members of the task force shall not receive a per diem,
3 9 shall not be reimbursed for actual and necessary expenses while
3 10 in attendance at any meeting, and shall not be reimbursed for
3 11 travel expenses.

3 12 8. The task force may conduct meetings telephonically.

3 13 EXPLANATION

3 14 This bill relates to disaster recovery case management.

3 15 The bill requires the rebuild Iowa office to work with
3 16 the department of human services and nonprofit, voluntary,
3 17 and faith-based organizations active in disaster recovery
3 18 and response in coordination with the homeland security
3 19 and emergency management division of the department of
3 20 public defense to establish a statewide system of disaster
3 21 case management to be activated following the governor's
3 22 proclamation of a disaster emergency or the declaration of
3 23 a major disaster by the president of the United States for
3 24 individual assistance purposes. The department is required
3 25 to coordinate case management services locally through local
3 26 committees as established in each local emergency management
3 27 commission's emergency plan. Beginning July 1, 2011, the
3 28 department of human services shall assume the duties of the
3 29 rebuild Iowa office.

3 30 The bill creates a business disaster case management task
3 31 force to research disaster recovery case management assistance
3 32 needed for businesses following a major disaster. The task
3 33 force shall recommend steps for preparing to provide such
3 34 assistance following disasters by November 15, 2010. The
3 35 rebuild Iowa office shall provide staffing for the task force.

LSB 5351HV (2) 83

tm/nh



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House File 2423 - Introduced

HOUSE FILE
BY COMMITTEE ON REBUILD
IOWA AND DISASTER
RECOVERY

(SUCCESSOR TO HF 2160)

A BILL FOR

- 1 An Act relating to loan forgiveness under the residential
- 2 landlord business support program and including effective
- 3 date and applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5855HV (2) 83
tm/sc



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1 1 Section 1. RENTAL REHABILITATION. Upon approval by the
1 2 United States department of housing and urban development,
1 3 forgivable loans made by the department of economic development
1 4 from community development block grant supplemental disaster
1 5 recovery funds pursuant to rental rehabilitation guidelines for
1 6 small and large projects shall be forgivable over a five-year
1 7 period. One-fifth of the total principal amount loaned shall
1 8 be forgiven following each full year the recipient owns the
1 9 property for which the loan was made, beginning on the date of
1 10 the final disbursement of the forgivable loan proceeds. To
1 11 each financial award recipient receiving assistance prior to
1 12 the effective date of this Act, the department of economic
1 13 development shall offer to renegotiate the terms of the
1 14 financial assistance award contract in accordance with this
1 15 Act.

1 16 Sec. 2. EFFECTIVE UPON ENACTMENT AND APPLICABILITY. This
1 17 Act, being deemed of immediate importance, takes effect upon
1 18 enactment and applies, upon approval by the United States
1 19 department of housing and urban development, to contracts
1 20 entered into before, on, and after the effective date of this
1 21 Act.

1 22 EXPLANATION

1 23 This bill relates to loan forgiveness for loans using
1 24 community development block grant supplemental disaster
1 25 recovery moneys for certain rental rehabilitation projects.

1 26 The bill provides that, upon approval by the United States
1 27 department of housing and urban development, forgivable loans
1 28 made by the department of economic development from community
1 29 development block grant supplemental disaster recovery moneys
1 30 pursuant to rental rehabilitation guidelines for small and
1 31 large projects shall be forgivable over a five-year period.
1 32 The bill provides that, to each financial award recipient
1 33 receiving assistance prior to the effective date of the
1 34 bill, the department of economic development shall offer
1 35 to renegotiate the terms of the financial assistance award



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2 1 contract in accordance with the bill.
2 2 The bill takes effect upon enactment and applies, upon
2 3 approval by the United States department of housing and urban
2 4 development, to contracts entered into before, on, and after
2 5 the effective date of the bill.

LSB 5855HV (2) 83

tm/sc



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House File 2424 - Introduced

HOUSE FILE
BY RANTS

A BILL FOR

1 An Act relating to the establishment, funding, and bonding
2 authority of public charter schools.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5481YH (15) 83
kh/rj



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1 1 Section 1. NEW SECTION. 16.163 Authority to issue public
1 2 charter school facilities bonds and notes.
1 3 The authority shall assist a public charter school
1 4 established under chapter 257A, and the authority shall have
1 5 all of the powers delegated to it in a chapter 28E agreement
1 6 by a governing board of a public charter school established
1 7 pursuant to chapter 257A, or a private developer contracting
1 8 with a public charter school established pursuant to chapter
1 9 257A, to develop a public charter school facility, with respect
1 10 to the issuance or securing of bonds or notes as provided in
1 11 section 257A.11, subsection 4.
1 12 Sec. 2. NEW SECTION. 257A.1 Short title.
1 13 This chapter may be cited as the "Public Charter Schools
1 14 Act".
1 15 Sec. 3. NEW SECTION. 257A.2 Legislative findings and
1 16 declaration of purpose.
1 17 1. The general assembly finds and declares the following:
1 18 a. It is in the best interests of the people of the state
1 19 to provide all children with public schools that reflect high
1 20 expectations and to create conditions in all schools where
1 21 these expectations can be met.
1 22 b. Education reform is necessary to strengthen the
1 23 performance of elementary and secondary public school students.
1 24 c. Those who know students best, their parents and
1 25 educators, make the best education decisions regarding the
1 26 students.
1 27 d. Parents and educators have a right and a responsibility
1 28 to participate in the education institutions which serve Iowa's
1 29 children.
1 30 e. Different students learn differently and public school
1 31 programs should be customized to fit the needs of individual
1 32 students.
1 33 f. There are parents, educators, and other citizens in the
1 34 state willing and able to offer educational programs but who
1 35 lack a channel through which they can direct their efforts.



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- 2 1 2. The purpose of establishing public charter schools in
2 2 this state is to accomplish the following:
2 3 a. Improve student learning by creating high-quality schools
2 4 with high standards for student performance.
2 5 b. Close achievement gaps between high-performing and
2 6 low-performing groups of public school students.
2 7 c. Increase high-quality educational opportunities within
2 8 the public education system for all students, especially those
2 9 at risk of academic failure.
2 10 d. Create new professional opportunities for teachers,
2 11 school administrators, and other school personnel that allow
2 12 them to have a direct voice in the operation of their schools.
2 13 e. Encourage the use of different, high-quality models of
2 14 teaching, governing, scheduling, or other aspects of schooling
2 15 that meet a variety of student needs.
2 16 f. Allow public schools freedom and flexibility in exchange
2 17 for exceptional levels of results-driven accountability.
2 18 g. Provide students, parents, community members, and local
2 19 entities with expanded opportunities for involvement in the
2 20 public education system.
2 21 h. Encourage the replication of successful public charter
2 22 schools.
2 23 3. All public charter schools in the state established under
2 24 this chapter are public schools and are part of the state's
2 25 public education system. The provisions of this chapter should
2 26 be interpreted liberally to support the findings and purposes
2 27 of this section and to advance a renewed commitment by the
2 28 state to the mission, goals, and diversity of public education.
2 29 Sec. 4. NEW SECTION. 257A.3 Definitions.
2 30 As used in this chapter, unless the context otherwise
2 31 requires:
2 32 1. "Applicant" means any person or group of persons that
2 33 develops and submits an application for a public charter school
2 34 to an authorizer.
2 35 2. "Application" means a proposal from an applicant to



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3 1 an authorizer to enter into a charter contract whereby the
3 2 proposed school obtains public charter school status.
3 3 3. "At-risk student" means a student who has an economic
3 4 or academic disadvantage that requires special services and
3 5 assistance to succeed in educational programs. The term
3 6 includes but is not limited to students who are members
3 7 of economically disadvantaged families, students who are
3 8 identified as having special educational needs, students who
3 9 are limited in English proficiency, students who are at risk
3 10 of dropping out of high school, and students who do not meet
3 11 minimum standards of academic proficiency.
3 12 4. "Authorizer" means an entity authorized under this
3 13 chapter to review applications, decide whether to approve
3 14 or reject applications, enter into charter contracts with
3 15 applicants, oversee public charter schools, and decide whether
3 16 to renew, not renew, or revoke charter contracts.
3 17 5. "Charter contract" means a fixed-term, renewable
3 18 contract between a public charter school and an authorizer that
3 19 outlines the roles, powers, responsibilities, and performance
3 20 expectations for each party to the contract.
3 21 6. "Commission" means the Iowa public charter school
3 22 commission created pursuant to section 257A.6.
3 23 7. "Conversion public charter school" means a charter school
3 24 that existed as a noncharter public school before becoming a
3 25 public charter school.
3 26 8. "Education service provider" means a for-profit
3 27 education management organization, nonprofit charter management
3 28 organization, school design provider, or any other partner
3 29 entity with which a public charter school intends to contract
3 30 for educational design, implementation, or comprehensive
3 31 management.
3 32 9. "Governing board" means the independent board of a public
3 33 charter school that is party to the charter contract with the
3 34 authorizer and whose members have been elected or selected
3 35 pursuant to the public charter school's application.



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- 4 1 10. "Local school board" means a school board exercising
4 2 management and control of a local school district pursuant to
4 3 state statutes.
- 4 4 11. "Local school district" means a public agency that
4 5 establishes and supervises one or more public schools within
4 6 its geographical limits pursuant to state statutes.
- 4 7 12. "Noncharter public school" means a public school that is
4 8 under the direct management, governance, and control of a local
4 9 school board.
- 4 10 13. "Parent" means a parent, guardian, or other person or
4 11 entity having legal custody of a child.
- 4 12 14. "Public charter school" means a public school
4 13 established under this chapter that meets the following
4 14 criteria:
- 4 15 a. Has autonomy over decisions including but not limited to
4 16 matters concerning finance, personnel, scheduling, curriculum,
4 17 and instruction.
- 4 18 b. Is governed by an independent governing board.
- 4 19 c. Is established and operating under the terms of a charter
4 20 contract between the school's board and its authorizer.
- 4 21 d. Is a school to which parents choose to send their
4 22 children.
- 4 23 e. Admits students on the basis of a lottery if more
4 24 students apply for admission than can be accommodated.
- 4 25 f. Provides a program of education that includes one or
4 26 more of the following: preschool, prekindergarten, any grade
4 27 or grades from kindergarten through 12th grade, and adult
4 28 community, continuing, and vocational education programs.
- 4 29 g. Operates in pursuit of a specific set of educational
4 30 objectives as defined in its charter contract.
- 4 31 h. Operates under the oversight of its authorizer in
4 32 accordance with its charter contract.
- 4 33 15. "Start-up public charter school" means a public charter
4 34 school that did not exist as a noncharter public school prior
4 35 to becoming a public charter school.



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- 5 1 16. "Student" means any child who is eligible for attendance
5 2 in public schools in the state.
- 5 3 17. "Virtual public charter school" means a public charter
5 4 school that offers educational services predominantly through
5 5 the internet.
- 5 6 Sec. 5. NEW SECTION. 257A.4 Enrollment.
- 5 7 1. Enrollment requirements. Open enrollment and lottery
5 8 requirements are as follows:
- 5 9 a. A public charter school shall be open to any student
5 10 residing in the state.
- 5 11 b. A school district shall not require any student enrolled
5 12 in the school district to attend a public charter school.
- 5 13 c. A public charter school shall not limit admission based
5 14 on ethnicity, national origin, religion, gender, income level,
5 15 disabling condition, proficiency in the English language, or
5 16 academic or athletic ability.
- 5 17 d. A public charter school may limit admission to students
5 18 within a given age group or grade level and may be organized
5 19 around a special emphasis, theme, or concept as stated in the
5 20 school's application.
- 5 21 e. A public charter school shall enroll all students who
5 22 wish to attend the school, unless the number of students
5 23 exceeds the capacity of a program, class, grade level, or
5 24 building.
- 5 25 f. If capacity is insufficient to enroll all students who
5 26 wish to attend the school, the public charter school shall
5 27 select students through a lottery.
- 5 28 2. Enrollment preferences. Enrollment preferences include
5 29 the following:
- 5 30 a. Any noncharter public school converting partially or
5 31 entirely to a public charter school shall adopt and maintain
5 32 a policy giving enrollment preference to students who reside
5 33 within the former attendance area of that public school.
- 5 34 b. A public charter school shall give enrollment preference
5 35 to students enrolled in the public charter school the previous



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6 1 school year and to siblings of students already enrolled in the
6 2 public charter school. An enrollment preference for returning
6 3 students excludes those students from entering into a lottery.
6 4 c. A public charter school may give enrollment preference to
6 5 children of a public charter school's founders, governing board
6 6 members, and full-time employees, so long as they constitute no
6 7 more than ten percent of the school's total student population.
6 8 3. Focusing of mission. This section does not preclude
6 9 the formation of a public charter school whose mission is
6 10 focused on serving students with disabilities, students of
6 11 the same gender, students who pose such severe disciplinary
6 12 problems that they warrant a specific educational program, or
6 13 students who are at risk of academic failure. If capacity is
6 14 insufficient to enroll all students who wish to attend such
6 15 school, the public charter school shall select students through
6 16 a lottery.
6 17 4. Credit transferability. If a student who was previously
6 18 enrolled in a public charter school enrolls in another public
6 19 school in this state, the student's new school shall accept
6 20 credits earned by the student in courses or instructional
6 21 programs at the public charter school in a uniform and
6 22 consistent manner and according to the same criteria that are
6 23 used to accept academic credits from other public schools.
6 24 5. Information to parents and the general public. A local
6 25 school district shall provide or publicize to parents and
6 26 the general public information about public charter schools
6 27 authorized by the district as an enrollment option within the
6 28 district to the same extent and through the same means that the
6 29 district provides and publicizes information about noncharter
6 30 public schools in the district.
6 31 6. Determination of student capacity of public charter
6 32 schools. An authorizer shall not restrict the number of
6 33 students a public charter school may enroll. The capacity of
6 34 the public charter school shall be determined annually by the
6 35 governing board of the public charter school in conjunction



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7 1 with the authorizer and in consideration of the public charter
7 2 school's ability to facilitate the academic success of its
7 3 students, to achieve the other objectives specified in the
7 4 charter contract, and to ensure that its student enrollment
7 5 does not exceed the capacity of its facility or site.
7 6 Sec. 6. NEW SECTION. 257A.5 Authorizers.
7 7 1. Authority to authorize. The state public charter school
7 8 commission created under section 257A.6 may authorize public
7 9 charter schools anywhere in the state, provided that the
7 10 commission fulfills requirements of all public charter school
7 11 authorizers under this chapter.
7 12 2. Eligible authorizing entities. The following eligible
7 13 authorizing entities may register with the commission pursuant
7 14 to subsection 4 for the following purposes:
7 15 a. A local school board for chartering authority within the
7 16 boundaries of the local school district overseen by the local
7 17 school board.
7 18 b. Governing boards of accredited public or private
7 19 postsecondary institutions, including community colleges and
7 20 four-year colleges and universities for statewide, regional,
7 21 or local chartering authority, in accordance with each
7 22 institution's regular operating jurisdiction.
7 23 c. A city may apply to the commission for chartering
7 24 authority within the city's jurisdiction.
7 25 d. Governing boards of nonprofit or charitable
7 26 organizations, which are exempt from federal taxes under
7 27 sections 501(c)(3) or 501(c)(6) of the Internal Revenue
7 28 Code, for statewide, regional, or local chartering authority.
7 29 Nonpublic sectarian or religious organizations, and any other
7 30 charitable organization which in their federal IRS Form 1023,
7 31 Part IV, describe activities indicating a religious purpose,
7 32 are not eligible to apply to become an authorizer.
7 33 3. Authorizer powers, duties, and liabilities.
7 34 a. Authorizers are responsible for executing, in accordance
7 35 with this chapter, the following essential powers and duties:



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8 1 (1) Soliciting and evaluating charter applications.
8 2 (2) Approving quality charter applications that meet
8 3 identified educational needs and promote a diversity of
8 4 educational choices.
8 5 (3) Declining to approve weak or inadequate charter
8 6 applications.
8 7 (4) Negotiating and executing sound charter contracts with
8 8 each approved public charter school.
8 9 (5) Monitoring, in accordance with charter contract terms,
8 10 the performance and legal compliance of public charter schools.
8 11 (6) Determining whether each charter contract merits
8 12 renewal, nonrenewal, or revocation.
8 13 b. An authorizing entity may delegate its duties to offices,
8 14 employees, and contractors.
8 15 c. Regulation by authorizers shall be limited to these
8 16 powers and duties, and consistent with the spirit and intent of
8 17 this chapter.
8 18 d. An authorizing entity, members of the board of an
8 19 authorizer in their official capacity, and employees of an
8 20 authorizer are immune from civil and criminal liability with
8 21 respect to all activities related to a public charter school
8 22 they authorize.
8 23 4. Principles and standards for charter authorizing. All
8 24 authorizers shall be required to develop and maintain
8 25 chartering policies and practices consistent with nationally
8 26 recognized principles and standards for quality charter
8 27 authorizing in all major areas of authorizing responsibility
8 28 including: organizational capacity and infrastructure;
8 29 soliciting and evaluating charter applications; performance
8 30 contracting; ongoing public charter school oversight and
8 31 evaluation; and charter renewal decision-making. Authorizers
8 32 shall carry out all their duties under this chapter in a
8 33 manner consistent with such nationally recognized principles
8 34 and standards and with the spirit and intent of this chapter.
8 35 Evidence of material or persistent failure to do so shall



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9 1 constitute grounds for losing charter authorizing powers.
9 2 5. Authorizer reporting. Every authorizer shall be required
9 3 to submit to the commission and the general assembly an annual
9 4 report summarizing:
9 5 a. The authorizer's strategic vision for chartering and
9 6 progress toward achieving that vision.
9 7 b. The academic and financial performance of all operating
9 8 public charter schools overseen by the authorizer, according
9 9 to the performance expectations for public charter schools set
9 10 forth in this chapter.
9 11 c. The status of the authorizer's public charter school
9 12 portfolio, identifying all public charter schools in each of
9 13 the following categories: approved, but not yet open; and
9 14 operating, renewed, transferred; and revoked, not renewed,
9 15 voluntarily closed, or never opened.
9 16 d. The authorizing functions provided by the authorizer
9 17 to the public charter schools under its purview, including
9 18 the authorizer's operating costs and expenses detailed in
9 19 annual audited financial statements that conform with generally
9 20 accepted accounting principles.
9 21 e. The services purchased from the authorizer by the public
9 22 charter schools under its purview, including an itemized
9 23 accounting of the actual costs of these services, as required
9 24 in subsection 9.
9 25 6. Authorizer funding.
9 26 a. To cover authorizer costs for overseeing public charter
9 27 schools in accordance with this chapter, the commission shall
9 28 remit to each authorizer an oversight fee for each public
9 29 charter school it authorizes. The oversight fee shall be drawn
9 30 from and calculated as a uniform percentage of the per=student
9 31 operational funding allocated to each public charter school
9 32 under section 257A.10, subsection 2, not to exceed three
9 33 percent of each public charter school's per=student funding
9 34 in a single school year. The commission shall establish a
9 35 statewide formula for authorizer funding, which shall apply



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10 1 uniformly to every authorizer in the state. The commission
10 2 shall submit the formula, and any succeeding amendments to
10 3 the formula, to the department of management, the general
10 4 assembly, and the governor, and shall provide any additional
10 5 information required by the department of management.
10 6 The formula shall be established by statute prior to the
10 7 appropriation or distribution of state funds for purposes of
10 8 establishing a public charter school. The commission may
10 9 establish a sliding scale for authorizer funding, with the
10 10 funding percentage decreasing after the authorizer has achieved
10 11 a certain threshold, such as after a certain number of years
10 12 of authorizing or after a certain number of schools has been
10 13 authorized.

10 14 b. An authorizer's oversight fee shall not include any
10 15 costs incurred in delivering services that a public charter
10 16 school may purchase at its discretion from the authorizer.
10 17 The authorizer shall use its funding provided under this
10 18 section exclusively for the purpose of fulfilling authorizing
10 19 obligations in accordance with this chapter.

10 20 c. The commission shall annually review the effectiveness of
10 21 the state formula for authorizer funding, and shall adjust the
10 22 formula if necessary to maximize public benefit and strengthen
10 23 the implementation of this chapter.

10 24 7. Conflicts of interest. An employee, trustee, agent,
10 25 or representative of an authorizer shall not simultaneously
10 26 serve as an employee, trustee, agent, representative, vendor,
10 27 or contractor of a public charter school authorized by that
10 28 authorizer.

10 29 8. Exclusivity of authorizing functions and rights. A
10 30 governmental or other entity, other than those expressly
10 31 granted chartering authority as set forth in this chapter or
10 32 chapter 256F, shall not assume any charter authorizing function
10 33 or duty in any form, unless expressly allowed by law.

10 34 9. Services purchased from authorizer == itemized accounting.
10 35 a. With the exception of oversight services as required by



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11 1 subsection 6, a public charter school shall not be required to
11 2 purchase services from its authorizer as a condition of charter
11 3 approval or of executing a charter contract, and any such
11 4 condition shall not be implied.

11 5 b. A public charter school may, at its discretion, choose
11 6 to purchase services from its authorizer. In such event, the
11 7 public charter school and authorizer shall execute an annual
11 8 service contract, separate from the charter contract, stating
11 9 the parties' mutual agreement concerning any services to be
11 10 provided by the authorizer and any service fees to be charged
11 11 to the public charter school. An authorizer shall not charge
11 12 more than market rates for services provided to a public
11 13 charter school.

11 14 c. Within thirty days after the end of each fiscal year,
11 15 an authorizer shall provide to each public charter school it
11 16 oversees an itemized accounting of the actual costs of services
11 17 purchased by the public charter school from the authorizer.
11 18 Any difference between the amount initially charged to the
11 19 public charter school and the actual cost shall be reconciled
11 20 and paid to the owed party. If either party disputes the
11 21 itemized accounting, any charges included in such accounting,
11 22 or charges to either party, the disputing party is entitled to
11 23 request a third-party review at its own expense. The review
11 24 shall be conducted by the commission, whose determination shall
11 25 be final.

11 26 Sec. 7. NEW SECTION. 257A.6 Iowa public charter school
11 27 commission.

11 28 1. An Iowa public charter school commission is established
11 29 as an independent state agency with statewide chartering
11 30 jurisdiction and authority.

11 31 2. The mission of the commission shall be to authorize
11 32 high-quality public charter schools throughout the state,
11 33 particularly schools designed to expand opportunities for
11 34 at-risk students, consistent with the purposes of this chapter.

11 35 3. The commission shall consist of nine members serving



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12 1 three-year terms. Three members shall be appointed by the
12 2 governor; two members shall be appointed by the president of
12 3 the senate after consultation with the majority leader; one
12 4 member shall be appointed by the minority leader of the senate;
12 5 two members shall be appointed by the speaker of the house
12 6 of representatives; and one member shall be appointed by the
12 7 minority leader of the house of representatives. A member
12 8 shall not serve more than seven consecutive years. In making
12 9 the appointments, the governor, the president of the senate,
12 10 and the speaker of the house of representatives shall ensure
12 11 statewide geographic diversity among commission members.

12 12 4. Members appointed to the commission shall collectively
12 13 possess strong experience and expertise in public and
12 14 nonprofit governance, management and finance, public school
12 15 leadership, assessment, and curriculum and instruction, and
12 16 public education law. All members of the commission shall
12 17 have demonstrated understanding of and commitment to charter
12 18 schooling as a strategy for strengthening public education.

12 19 5. Notwithstanding subsection 3, to establish staggered
12 20 terms of office, each of the appointing authorities as provided
12 21 in subsection 3 shall appoint one member to an initial term
12 22 of one year, one member to an initial term of two years, and
12 23 one member to an initial term of three years. The initial
12 24 appointments shall be made no later than May 1, 2011. This
12 25 subsection is repealed July 1, 2014.

12 26 6. A member of the commission may be removed for any cause
12 27 that renders the member incapable or unfit to discharge the
12 28 duties of the office. Whenever a vacancy on the commission
12 29 exists, the original appointing authority shall appoint a
12 30 member for the remaining portion of the term.

12 31 7. The commission may receive and expend gifts, grants,
12 32 and donations of any kind from any public or private entity to
12 33 carry out the purposes of this chapter, subject to the terms
12 34 and conditions under which they are given, provided that all
12 35 such terms and conditions are permissible under law.



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13 1 8. The commission shall operate with dedicated resources
13 2 and staff qualified to execute the day-to-day responsibilities
13 3 of public charter school authorizing in accordance with this
13 4 chapter.

13 5 9. Chartering authority registration of local school boards.
13 6 a. The commission shall publicize to all local school boards
13 7 the opportunity to register with the state for chartering
13 8 authority within the local school districts they oversee. By
13 9 October 1 annually, the commission shall provide information
13 10 about the opportunity, including a registration deadline, to
13 11 all local school boards. To register as a charter authorizer
13 12 in its local school district, each interested local school
13 13 board shall submit the following information in a format to be
13 14 established by the commission:

13 15 (1) Written notification of intent to serve as a charter
13 16 authorizer in accordance with this chapter.

13 17 (2) An explanation of the local school board's strategic
13 18 vision for chartering.

13 19 (3) An explanation of the local school board's budget and
13 20 personnel capacity and commitment to execute the duties of
13 21 quality charter authorizing, in accordance with this chapter.

13 22 (4) An explanation of how the local school board will
13 23 solicit public charter school applicants, in accordance with
13 24 this chapter.

13 25 (5) A description or outline of the performance framework
13 26 the local school board will use to guide the establishment of a
13 27 charter contract and for ongoing oversight and evaluation of
13 28 public charter schools, consistent with the requirements of
13 29 this chapter.

13 30 (6) A draft of the local school board's renewal, revocation,
13 31 and nonrenewal processes, consistent with section 257A.8,
13 32 subsection 3.

13 33 (7) A statement of assurance that the local school board
13 34 commits to serving as a charter authorizer in fulfillment of
13 35 the expectations, spirit, and intent of this chapter, and



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14 1 will fully participate in any authorizer training provided or
14 2 required by the state.
14 3 b. Within sixty days of receipt of a local school board's
14 4 duly submitted registration materials, the commission shall
14 5 register the local school board as a charter authorizer
14 6 within the local school board's local school district, and
14 7 shall provide the local school board a letter confirming its
14 8 registration as a charter authorizer. A local school board
14 9 shall not engage in any charter=authorizing functions without
14 10 current registration as a charter authorizer with the state.
14 11 Once registered, the local school board's registration as a
14 12 charter authorizer shall continue from year to year, provided
14 13 that the local school board fulfills all charter=authorizing
14 14 duties and expectations set forth in this chapter and remains
14 15 an authorizer in good standing with the commission.
14 16 10. Chartering authority application for eligible entities.
14 17 a. The commission shall establish the annual application
14 18 and approval process, including cycles and deadlines during the
14 19 fiscal year, for all entities eligible to apply for chartering
14 20 authority. By December 1 of each year, the commission shall
14 21 make available information and guidelines for all eligible
14 22 entities concerning the opportunity to apply for chartering
14 23 authority under this chapter. The application process
14 24 shall require each interested eligible entity to submit an
14 25 application that clearly explains or presents the following
14 26 elements:
14 27 (1) Written notification of intent to serve as a charter
14 28 authorizer in accordance with this chapter.
14 29 (2) The applicant entity's strategic vision for chartering.
14 30 (3) A plan to support the vision presented, including
14 31 explanation and evidence of the applicant entity's budget
14 32 and personnel capacity and commitment to execute the
14 33 responsibilities of quality charter authorizing, in accordance
14 34 with this chapter.
14 35 (4) A draft or preliminary outline of the request for



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15 1 proposals that the applicant entity would, if approved as a
15 2 charter authorizer, issue to solicit public charter school
15 3 applicants, consistent with section 257A.7, subsection 1.
15 4 (5) A draft of the performance framework that the applicant
15 5 entity would, if approved as a charter authorizer, use to
15 6 guide the establishment of a charter contract and for ongoing
15 7 oversight and evaluation of public charter schools, consistent
15 8 with the requirements of this chapter.
15 9 (6) A draft of the applicant entity's renewal, revocation,
15 10 and nonrenewal processes, consistent with 257A.8, subsection 3.
15 11 (7) A statement of assurance that the applicant entity
15 12 seeks to serve as a charter authorizer in fulfillment of the
15 13 expectations, spirit, and intent of this chapter, and that
15 14 if approved as a charter authorizer, the entity will fully
15 15 participate in any authorizer training provided or required by
15 16 the state.
15 17 (8) A statement of assurance that the applicant will
15 18 ensure public accountability and transparency in all matters
15 19 concerning their charter=authorizing practices, decisions, and
15 20 expenditures.
15 21 b. By February 1 of each year, the commission shall
15 22 decide whether to grant or deny chartering authority to each
15 23 applicant. The commission shall make its decisions on the
15 24 merits of each applicant's proposal and plans.
15 25 c. Within ten days of the commission's decision, the
15 26 commission shall execute a renewable authorizing contract with
15 27 each entity it has approved for chartering authority. The
15 28 initial term of each authorizing contract shall be six years.
15 29 The authorizing contract shall specify each approved entity's
15 30 agreement to serve as a charter authorizer in accordance with
15 31 the expectations of this chapter, and shall specify additional
15 32 performance terms based on the applicant's proposal and plan
15 33 for chartering. An approved entity shall not commence charter
15 34 authorizing without an authorizing contract in effect.
15 35 11. Oversight of public charter school authorizers.



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16 1 a. The commission shall be responsible for overseeing the
16 2 performance and effectiveness of all authorizers established
16 3 under this chapter.

16 4 b. In accordance with section 257A.5, subsection 5, every
16 5 authorizer shall be required to submit to the commission and
16 6 the general assembly an annual report. The commission shall,
16 7 by February 1 annually, communicate to every authorizer the
16 8 requirements for the format, content, and submission of the
16 9 annual report.

16 10 c. Persistently unsatisfactory performance of an
16 11 authorizer's portfolio of public charter schools, a pattern
16 12 of well-founded complaints about the authorizer or its public
16 13 charter schools, or other objective circumstances may trigger a
16 14 special review by the commission. In reviewing or evaluating
16 15 the performance of authorizers the commission shall apply
16 16 nationally recognized principles and standards for quality
16 17 charter authorizing. If at any time the commission finds that
16 18 an authorizer is not in compliance with an existing charter
16 19 contract, its authorizing contract with the commission, or
16 20 the requirements of all authorizers under this chapter, the
16 21 commission shall notify the authorizer in writing of the
16 22 identified problems, and the authorizer shall have reasonable
16 23 opportunity to respond and remedy the problems.

16 24 d. If a local school board registered as an authorizer under
16 25 subsection 9 persists in violating a material provision of a
16 26 charter contract or fails to remedy other authorizing problems
16 27 after due notice from the commission, the commission shall
16 28 notify the local school board, within a reasonable amount of
16 29 time under the circumstances, that it intends to terminate the
16 30 local school board's chartering authority unless the local
16 31 school board demonstrates a timely and satisfactory remedy for
16 32 the violation or deficiencies.

16 33 e. If an authorizer granted chartering authority under
16 34 subsection 10 persists, after due notice from the commission,
16 35 in violating a material provision of a charter contract or



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17 1 its authorizing contract with the commission, or fails to
17 2 remedy other identified authorizing problems, the commission
17 3 shall notify the authorizer, within a reasonable amount
17 4 of time under the circumstances, that it intends to revoke
17 5 the authorizer's chartering authority unless the authorizer
17 6 demonstrates a timely and satisfactory remedy for the violation
17 7 or deficiencies.
17 8 f. In the event of revocation of any authorizer's chartering
17 9 authority, the commission shall manage the timely and orderly
17 10 transfer of each charter contract held by that authorizer to
17 11 another authorizer in the state, with the mutual agreement
17 12 of each affected public charter school and proposed new
17 13 authorizer. The new authorizer shall assume the existing
17 14 charter contract for the remainder of the charter term.
17 15 Sec. 8. NEW SECTION. 257A.7 Application process.
17 16 1. Request for proposals.
17 17 a. To solicit, encourage, and guide the development of
17 18 quality public charter school applications, every authorizer
17 19 operating under this chapter shall issue and broadly publicize
17 20 a request for proposals by August 1 annually. The content and
17 21 dissemination of the request for proposals shall be consistent
17 22 with the purposes and requirements of this chapter.
17 23 b. Charter applicants may submit a proposal for a particular
17 24 public charter school to no more than one authorizer at a time.
17 25 c. The commission shall annually establish and disseminate
17 26 a statewide timeline for charter approval or denial decisions,
17 27 which shall apply to all authorizers in the state.
17 28 d. Each authorizer's request for proposals shall present the
17 29 authorizer's strategic vision for chartering, including a clear
17 30 statement of any preferences the authorizer wishes to grant to
17 31 applications that assist at-risk students.
17 32 e. The request for proposals shall include or otherwise
17 33 direct applicants to the performance framework that the
17 34 authorizer has developed for public charter school oversight
17 35 and evaluation in accordance with section 257A.8, subsection 1.



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18 1 f. The request for proposals shall include the criteria
18 2 that will guide the authorizer's decision to approve or deny
18 3 a charter application.

18 4 g. The request for proposals shall state clear,
18 5 appropriately detailed questions as well as guidelines
18 6 concerning the format and content essential for applicants to
18 7 demonstrate the capacities necessary to establish and operate a
18 8 successful public charter school.

18 9 h. The request for proposals shall require charter
18 10 applications to provide or describe thoroughly, and each
18 11 charter application shall provide or describe thoroughly, all
18 12 of the following essential elements of the proposed school
18 13 plan:

18 14 (1) An executive summary.

18 15 (2) The mission and vision of the proposed public charter
18 16 school, including identification of the targeted student
18 17 population and the community the school hopes to serve.

18 18 (3) The location or geographic area proposed for the school.

18 19 (4) The grades to be served each year for the full term of
18 20 the charter contract.

18 21 (5) Minimum, planned, and maximum enrollment per grade per
18 22 year for the term of the charter contract.

18 23 (6) Evidence of need and community support for the proposed
18 24 public charter school.

18 25 (7) Background information on the proposed founding
18 26 governing board members and, if identified, the proposed school
18 27 leadership and management team.

18 28 (8) The school's proposed calendar and sample daily
18 29 schedule.

18 30 (9) A description of the academic program aligned with
18 31 the comprehensive school improvement plan and reporting
18 32 requirements of section 256.7, subsection 21; the core
18 33 curriculum established pursuant to section 256.7, subsection
18 34 26; the core content standards established pursuant to section
18 35 256.7, subsection 28; and the state educational standards



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- 19 1 pursuant to section 256.11.
- 19 2 (10) A description of the school's instructional design,
- 19 3 including the type of learning environment, class size and
- 19 4 structure, curriculum overview, and teaching methods.
- 19 5 (11) The school's plan for using internal and external
- 19 6 assessments to measure and report student progress on the
- 19 7 performance framework developed by the authorizer in accordance
- 19 8 with section 257A.8, subsection 1.
- 19 9 (12) The school's plans for identifying and successfully
- 19 10 serving students with disabilities, children requiring special
- 19 11 education pursuant to chapter 256B, students who are English
- 19 12 language learners, students who are academically behind, and
- 19 13 gifted students, including but not limited to compliance with
- 19 14 applicable laws and rules.
- 19 15 (13) A description of cocurricular or extracurricular
- 19 16 programs and how they will be funded and delivered.
- 19 17 (14) Plans and timelines for student recruitment and
- 19 18 enrollment, including lottery procedures.
- 19 19 (15) The school's student discipline policies, including
- 19 20 those for children requiring special education as defined in
- 19 21 section 256B.2, subsection 1, paragraph "a".
- 19 22 (16) An organization chart that clearly presents the public
- 19 23 charter school's organizational structure, including lines of
- 19 24 authority and reporting between the governing board, staff,
- 19 25 any related advisory bodies or councils, and any external
- 19 26 organizations that will play a role in managing the school.
- 19 27 (17) A clear description of the roles and responsibilities
- 19 28 for the governing board, the public charter school's leadership
- 19 29 and management team, and any other entities shown in the
- 19 30 organization chart.
- 19 31 (18) A staffing chart for the public charter school's first
- 19 32 year, and a staffing plan for the term of the charter.
- 19 33 (19) Plans for recruiting and developing public charter
- 19 34 school leadership and staff.
- 19 35 (20) The public charter school's leadership and teacher



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20 1 employment policies, including performance evaluation plans.
20 2 (21) Proposed governing bylaws.
20 3 (22) Explanations of any partnerships or contractual
20 4 relationships central to the public charter school's operations
20 5 or mission.
20 6 (23) The public charter school's plans for providing
20 7 transportation, food service, and all other significant
20 8 operational or ancillary services.
20 9 (24) Opportunities and expectations for parent involvement.
20 10 (25) A detailed public charter school start-up plan,
20 11 identifying tasks, timelines, and responsible individuals.
20 12 (26) Description of the public charter school's financial
20 13 plan and policies, including financial controls and audit
20 14 requirements.
20 15 (27) A description of the insurance coverage the public
20 16 charter school will obtain.
20 17 (28) Start-up and five-year budgets with clearly stated
20 18 assumptions.
20 19 (29) Start-up and first-year cash-flow projections with
20 20 clearly stated assumptions.
20 21 (30) Evidence of anticipated fund-raising contributions,
20 22 if claimed in the application.
20 23 (31) A sound facilities plan, including backup or
20 24 contingency plans if appropriate.
20 25 i. In the case of an application to establish a public
20 26 charter school by converting an existing noncharter public
20 27 school to public charter school status, the request for
20 28 proposals shall additionally require the applicants to
20 29 demonstrate support for the proposed public charter school
20 30 conversion by a petition signed by a majority of teachers and
20 31 a petition signed by a majority of parents of students in the
20 32 existing noncharter public school.
20 33 j. In the case of a proposal to establish a virtual public
20 34 charter school, the request for proposals shall additionally
20 35 require the applicants to describe the proposed virtual public



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21 1 charter school's system of course credits and how the school
21 2 will do the following:

21 3 (1) Monitor and verify full-time student enrollment,
21 4 student participation in a full course load, credit accrual,
21 5 and course completion.

21 6 (2) Monitor and verify student progress and performance
21 7 in each course through regular, proctored assessments and
21 8 submissions of coursework.

21 9 (3) Conduct parent-teacher conferences.

21 10 (4) Administer state-required assessments to all students
21 11 in a proctored setting.

21 12 k. In the case of a proposed public charter school that
21 13 intends to contract with an education service provider for
21 14 substantial educational services, management services, or both
21 15 types of services, the request for proposals shall additionally
21 16 require the applicants to do the following:

21 17 (1) Provide evidence of the education service provider's
21 18 success in serving student populations similar to the targeted
21 19 population, including demonstrated academic achievement as well
21 20 as successful management of nonacademic school functions if
21 21 applicable.

21 22 (2) Provide a term sheet setting forth the proposed
21 23 duration of the service contract; roles and responsibilities
21 24 of the governing board, the school staff, and the service
21 25 provider; scope of services and resources to be provided
21 26 by the education service provider; performance evaluation
21 27 measures and timelines; compensation structure, including clear
21 28 identification of all fees to be paid to the education service
21 29 provider; methods of contract oversight and enforcement;
21 30 investment disclosure; and conditions for renewal and
21 31 termination of the contract.

21 32 (3) Disclose and explain any existing or potential
21 33 conflicts of interest between the public charter school
21 34 governing board and the proposed education service provider or
21 35 any affiliated business entities.



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22 1 1. In the case of a public charter school proposal from an
22 2 applicant that currently operates one or more schools in any
22 3 state or nation, the request for proposals shall additionally
22 4 require the applicant to provide evidence of past performance
22 5 and current capacity for growth.
22 6 2. Application decision-making process.
22 7 a. In reviewing and evaluating charter applications,
22 8 authorizers shall employ procedures, practices, and criteria
22 9 consistent with nationally recognized principles and standards
22 10 for quality charter authorizing. The application review
22 11 process shall include thorough evaluation of each written
22 12 charter application, an in-person interview with the applicant
22 13 group, and an opportunity in a public forum for local residents
22 14 to learn about and provide input on each application.
22 15 b. In deciding whether to approve charter applications,
22 16 authorizers shall do the following:
22 17 (1) Grant charters only to applicants that have
22 18 demonstrated competence in each element of the authorizer's
22 19 published approval criteria and are likely to open and operate
22 20 a successful public charter school.
22 21 (2) Base decisions on documented evidence collected through
22 22 the application review process.
22 23 (3) Follow charter-granting policies and practices that are
22 24 transparent, based on merit, and avoid conflicts of interest or
22 25 any appearance of conflicts of interests.
22 26 c. No later than sixty days after the filing of a charter
22 27 application, the authorizer shall decide to approve or deny the
22 28 charter application. The authorizer shall adopt by resolution
22 29 all charter approval or denial decisions in an open meeting of
22 30 the authorizer's governing board.
22 31 d. An approval decision may include, if appropriate,
22 32 reasonable conditions that the charter applicant must
22 33 meet before a charter contract may be executed pursuant to
22 34 subsection 5.
22 35 e. For any charter denial, the authorizer shall clearly



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23 1 state, for public record, its reasons for denial. A denied
23 2 applicant may subsequently reapply to that authorizer or apply
23 3 to any other authorizer in the state.
23 4 f. Within ten days of taking action to approve or deny
23 5 a charter application, the authorizer shall report to the
23 6 commission the action it has taken. The authorizer shall
23 7 provide a copy of the report to the charter applicant at the
23 8 same time that the report is submitted to the commission. The
23 9 report shall include a copy of the authorizer governing board's
23 10 resolution setting forth the action taken and reasons for
23 11 the decision and assurances as to compliance with all of the
23 12 procedural requirements and application elements set forth in
23 13 this section.
23 14 3. Purposes and limitations of charter applications. The
23 15 purposes of the charter application are to present the proposed
23 16 public charter school's academic and operational vision and
23 17 plans, demonstrate the applicant's capacities to execute the
23 18 proposed vision and plans, and provide the authorizer a clear
23 19 basis for assessing the applicant's plans and capacities. An
23 20 approved charter application shall not serve as the school's
23 21 charter contract.
23 22 4. Initial charter term. An initial charter shall be
23 23 granted for a term of five operating years. The charter term
23 24 shall commence on the public charter school's first day of
23 25 operation. An approved public charter school may delay its
23 26 opening for one school year in order to plan and prepare for
23 27 the school's opening. If the public charter school requires
23 28 an opening delay of more than one school year, the school must
23 29 request an extension from its authorizer. The authorizer may
23 30 grant or deny the extension depending on the particular public
23 31 charter school's circumstances.
23 32 5. Charter contracts.
23 33 a. Within ten days of approval of a charter application,
23 34 the authorizer and the governing board of the approved
23 35 public charter school shall execute a charter contract that



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24 1 clearly sets forth the academic and operational performance
24 2 expectations and measures by which the public charter school
24 3 will be judged and the administrative relationship between the
24 4 authorizer and public charter school, including each party's
24 5 rights and duties. The performance expectations and measures
24 6 set forth in the charter contract shall include but need not
24 7 be limited to applicable federal and state accountability
24 8 requirements. The performance provisions may be refined or
24 9 amended by mutual agreement after the public charter school is
24 10 operating and has collected baseline achievement data for its
24 11 enrolled students.

24 12 b. The charter contract for a virtual public charter school
24 13 shall include description and agreement regarding the methods
24 14 by which the school will do the following:

24 15 (1) Monitor and verify full-time student enrollment,
24 16 student participation in a full course load, credit accrual,
24 17 and course completion.

24 18 (2) Monitor and verify student progress and performance
24 19 in each course through regular, proctored assessments and
24 20 submissions of coursework.

24 21 (3) Conduct parent-teacher conferences.

24 22 (4) Administer state-required assessments to all students
24 23 in a proctored setting.

24 24 c. The charter contract shall be signed by the president
24 25 of the authorizer's governing board and the president of the
24 26 public charter school's governing body. Within ten days of
24 27 executing a charter contract, the authorizer shall submit to
24 28 the commission written notification of the charter contract
24 29 execution, including a copy of the executed charter contract
24 30 and any attachments.

24 31 d. A public charter school shall not commence operations
24 32 without a charter contract executed in accordance with this
24 33 subsection and approved in an open meeting of the authorizer's
24 34 governing board.

24 35 6. Preopening requirements or conditions. Authorizers may



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25 1 establish reasonable preopening requirements or conditions
25 2 to monitor the start-up progress of newly approved public
25 3 charter schools and ensure that they are prepared to open
25 4 smoothly on the date agreed, and to ensure that each school
25 5 meets all building, health, safety, insurance, and other legal
25 6 requirements for school opening.
25 7 Sec. 9. NEW SECTION. 257A.8 Accountability.
25 8 1. Performance framework.
25 9 a. The performance provisions within the charter contract
25 10 shall be based on a performance framework that clearly sets
25 11 forth the academic and operational performance indicators,
25 12 measures, and metrics that will guide the authorizer's
25 13 evaluations of each public charter school. The performance
25 14 framework shall include indicators, measures, and metrics for,
25 15 at a minimum, all of the following:
25 16 (1) Student academic proficiency.
25 17 (2) Student academic growth.
25 18 (3) Achievement gaps in both proficiency and growth between
25 19 major student subgroups.
25 20 (4) Attendance.
25 21 (5) Recurrent enrollment from year to year.
25 22 (6) For secondary schools, postsecondary readiness.
25 23 (7) Financial performance and sustainability.
25 24 (8) Board performance and stewardship, including compliance
25 25 with all applicable laws, rules, and terms of the charter
25 26 contract.
25 27 b. Annual performance targets shall be set by each public
25 28 charter school in conjunction with its authorizer, and shall be
25 29 designed to help each school meet applicable federal, state,
25 30 and authorizer expectations.
25 31 c. The performance framework shall allow the inclusion of
25 32 additional rigorous, valid, and reliable indicators proposed by
25 33 a public charter school to augment external evaluations of its
25 34 performance, provided that the authorizer approves the quality
25 35 and rigor of such school-proposed indicators, and they are



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26 1 consistent with the purposes of this chapter.
26 2 d. The performance framework shall require the
26 3 disaggregation of all student performance data by major student
26 4 subgroups including but not limited to gender, race, poverty
26 5 status, special education status, English learner status, and
26 6 talented and gifted status.
26 7 e. For each public charter school it oversees, the
26 8 authorizer shall be responsible for collecting, analyzing, and
26 9 reporting all data from state assessments in accordance with
26 10 the performance framework.
26 11 f. Multiple public charter schools operating under a single
26 12 charter contract or overseen by a single governing board
26 13 shall be required to report their performance as separate,
26 14 individual schools, and each school shall be held independently
26 15 accountable for its performance.
26 16 2. Ongoing oversight and corrective actions.
26 17 a. An authorizer shall continually monitor the performance
26 18 and legal compliance of the public charter schools it oversees,
26 19 including collecting and analyzing data to support ongoing
26 20 evaluation according to the charter contract. Every authorizer
26 21 may conduct or require oversight activities that enable the
26 22 authorizer to fulfill its responsibilities under this chapter,
26 23 including conducting appropriate inquiries and investigations,
26 24 so long as those activities are consistent with this chapter,
26 25 adhere to the terms of the charter contract, and do not unduly
26 26 inhibit the autonomy granted to public charter schools.
26 27 b. Each authorizer shall annually publish and provide, as
26 28 part of its annual report to the commission and the general
26 29 assembly, a performance report for each public charter school
26 30 it oversees, in accordance with the performance framework set
26 31 forth in the charter contract and subsection 1. The authorizer
26 32 may require each public charter school it oversees to submit an
26 33 annual report to assist the authorizer in gathering complete
26 34 information about each school, consistent with the performance
26 35 framework.



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27 1 c. In the event that a public charter school's performance
27 2 or legal compliance appears unsatisfactory, the authorizer
27 3 shall promptly notify the public charter school of the
27 4 perceived problem and provide reasonable opportunity for the
27 5 school to remedy the problem, unless the problem warrants
27 6 revocation in which case the revocation time frames will apply.
27 7 d. Every authorizer may take appropriate corrective actions
27 8 or exercise sanctions short of revocation in response to
27 9 apparent deficiencies in public charter school performance
27 10 or legal compliance. Such actions or sanctions may include,
27 11 if warranted, requiring a school to develop and execute a
27 12 corrective action plan within a specified time frame.
27 13 3. Renewals, revocations, and nonrenewals.
27 14 a. A charter may be renewed for successive five-year terms
27 15 of duration, although the authorizer may vary the term based
27 16 on the performance, demonstrated capacities, and particular
27 17 circumstances of each public charter school. An authorizer
27 18 may grant renewal with specific conditions for necessary
27 19 improvements to a public charter school.
27 20 b. No later than December 1 annually, the authorizer shall
27 21 issue a public charter school performance report and charter
27 22 renewal application guidance to any public charter school whose
27 23 charter will expire the following year. The performance report
27 24 shall summarize the public charter school's performance record
27 25 to date, based on the data required by this chapter and the
27 26 charter contract, and shall provide notice of any weaknesses
27 27 or concerns perceived by the authorizer concerning the public
27 28 charter school that may jeopardize its position in seeking
27 29 renewal if not timely rectified. The public charter school
27 30 shall have thirty days to respond to the performance report and
27 31 submit any corrections or clarifications for the report.
27 32 c. The renewal application guidance shall, at a minimum,
27 33 provide an opportunity for the public charter school to do the
27 34 following:
27 35 (1) Present additional evidence, beyond the data contained



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28 1 in the performance report, supporting its case for charter
28 2 renewal.
28 3 (2) Describe improvements undertaken or planned for the
28 4 school.
28 5 (3) Detail the school's plans for the next charter term.
28 6 d. The renewal application guidance shall include or refer
28 7 explicitly to the criteria that will guide the authorizer's
28 8 renewal decisions, which shall be based on the performance
28 9 framework set forth in the charter contract and consistent with
28 10 this chapter.
28 11 e. No later than August 1, the governing board of a
28 12 public charter school seeking renewal beginning with the next
28 13 fiscal year shall submit a renewal application to the charter
28 14 authorizer pursuant to the renewal application guidance issued
28 15 by the authorizer. The authorizer shall rule by resolution
28 16 on the renewal application no later than sixty days after the
28 17 filing of the renewal application.
28 18 f. In making charter renewal decisions, every authorizer
28 19 shall do the following:
28 20 (1) Ground its decisions in evidence of the school's
28 21 performance over the term of the charter contract in accordance
28 22 with the performance framework set forth in the charter
28 23 contract.
28 24 (2) Ensure that data used in making renewal decisions are
28 25 available to the school and the public.
28 26 (3) Provide a public report summarizing the evidence basis
28 27 for each decision.
28 28 g. A charter contract may be revoked at any time or not
28 29 renewed if the authorizer determines that the public charter
28 30 school did any of the following or otherwise failed to comply
28 31 with the provisions of this chapter:
28 32 (1) Commits a material and substantial violation of any of
28 33 the terms, conditions, standards, or procedures required under
28 34 this chapter or the charter contract.
28 35 (2) Fails to meet or make sufficient progress toward the



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29 1 performance expectations set forth in the charter contract.
29 2 (3) Fails to meet generally accepted standards of fiscal
29 3 management.
29 4 (4) Substantially violates any material provision of law
29 5 from which the public charter school was not exempted.
29 6 h. An authorizer must develop revocation and nonrenewal
29 7 processes that do the following:
29 8 (1) Provide the charter holders with a timely notification
29 9 of the prospect of revocation or nonrenewal and of the reasons
29 10 for such possible closure.
29 11 (2) Allow the charter holders a reasonable amount of time
29 12 in which to prepare a response.
29 13 (3) Provide the charter holders with an opportunity to
29 14 submit documents and give testimony challenging the rationale
29 15 for closure and in support of the continuation of the school at
29 16 an orderly proceeding held for that purpose.
29 17 (4) Allow the charter holders access to representation by
29 18 counsel and to call witnesses on their behalf.
29 19 (5) Permit the recording of such proceedings.
29 20 (6) After a reasonable period for deliberation, require
29 21 a final determination be made and conveyed in writing to the
29 22 charter holders.
29 23 i. If an authorizer revokes or does not renew a charter,
29 24 the authorizer shall clearly state, in a resolution of its
29 25 governing board, the reasons for the revocation or nonrenewal.
29 26 j. Within ten days of taking action to renew, not renew, or
29 27 revoke a charter, the authorizer shall report to the commission
29 28 the action taken, and shall provide a copy of the report to
29 29 the public charter school at the same time that the report is
29 30 submitted to the commission. The report shall include a copy
29 31 of the authorizer governing board's resolution setting forth
29 32 the action taken and reasons for the decision and assurances as
29 33 to compliance with all of the requirements set forth in this
29 34 chapter.
29 35 4. School closure and dissolution.



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30 1 a. Prior to any public charter school closure decision,
30 2 an authorizer shall have developed a public charter school
30 3 closure protocol to ensure timely notification to parents,
30 4 orderly transition of students and student records to new
30 5 schools, and proper disposition of school funds, property, and
30 6 assets in accordance with the requirements of this chapter.
30 7 The protocol shall specify tasks, timelines, and responsible
30 8 parties, including delineating the respective duties of the
30 9 school and the authorizer. In the event of a public charter
30 10 school closure for any reason, the authorizer shall oversee and
30 11 work with the closing school to ensure a smooth and orderly
30 12 closure and transition for students and parents, as guided by
30 13 the closure protocol.

30 14 b. In the event of a public charter school closure for any
30 15 reason, the assets of the school shall be distributed first
30 16 to satisfy outstanding payroll obligations for employees of
30 17 the school, then to creditors of the school, and then to the
30 18 commission for transfer to the treasurer of state for deposit
30 19 in the general fund of the state. If the assets of the school
30 20 are insufficient to pay all parties to whom the school owes
30 21 compensation, the prioritization of the distribution of assets
30 22 may be determined by decree of a court of law.

30 23 5. Charter transfers. Transfer of a charter contract, and
30 24 of oversight of that public charter school, from one authorizer
30 25 to another before the expiration of the charter term shall not
30 26 be permitted except by special petition to the commission by a
30 27 public charter school or its authorizer. The commission shall
30 28 review such petitions on a case-by-case basis and may grant
30 29 transfer requests in response to special circumstances and
30 30 evidence that such a transfer would serve the best interests of
30 31 the public charter school's students.

30 32 6. Annual report. On or before December 1 of each year
30 33 beginning in the first year after any public charter school
30 34 established pursuant to this chapter has been operating for a
30 35 full school year, the commission shall issue to the governor,



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31 1 the general assembly, and the public at large, an annual report
31 2 on the state's public charter schools established pursuant
31 3 to this chapter, drawing from the annual reports submitted
31 4 by every authorizer as well as any additional relevant data
31 5 compiled by the commission, for the school year ending in the
31 6 preceding calendar year. The annual report shall include
31 7 a comparison of the performance of public charter school
31 8 students with the performance of academically, ethnically,
31 9 and economically comparable groups of students in noncharter
31 10 public schools. In addition, the annual report shall include
31 11 the commission's assessment of the successes, challenges, and
31 12 areas for improvement in meeting the purposes of this chapter,
31 13 including the commission's assessment of the sufficiency of
31 14 funding for public charter schools, the efficacy of the state
31 15 formula for authorizer funding, and any suggested changes in
31 16 state law or policy necessary to strengthen the public charter
31 17 schools established under this chapter.

31 18 Sec. 10. NEW SECTION. 257A.9 Operations and autonomy.

31 19 1. Legal status of public charter school.

31 20 a. Notwithstanding any provision of law to the contrary, to
31 21 the extent that any provision of this chapter is inconsistent
31 22 with any other state or local law, rule, or regulation, the
31 23 provisions of this chapter shall govern and be controlling.

31 24 b. A public charter school shall be a nonprofit education
31 25 organization.

31 26 c. A public charter school shall be subject to all federal
31 27 laws and authorities enumerated herein or arranged by charter
31 28 contract with the school's authorizer, where such contracting
31 29 is consistent with applicable laws, rules, and regulations.

31 30 d. Except as provided in this chapter, a public charter
31 31 school shall not be subject to the state's education statutes
31 32 or any state or local rule, regulation, policy, or procedure
31 33 relating to noncharter public schools within an applicable
31 34 local school district regardless of whether such rule,
31 35 regulation, policy, or procedure is established by the local



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32 1 school board, the state board of education, or the state
32 2 department of education.
32 3 e. A charter contract may include one or more schools,
32 4 to the extent approved by the authorizer and consistent with
32 5 applicable law. Each public charter school that is part of
32 6 a charter contract shall be separate and distinct from any
32 7 others.
32 8 f. A single governing board may hold one or more charter
32 9 contracts. Each public charter school that is part of a
32 10 charter contract shall be separate and distinct from any
32 11 others.
32 12 2. Local educational agency status.
32 13 a. A public charter school shall function as a local
32 14 educational agency. A public charter school shall be
32 15 responsible for meeting the requirements of a local educational
32 16 agency under applicable federal, state, and local laws,
32 17 including those relating to special education. Local
32 18 educational agency status shall not preclude a public charter
32 19 school from developing partnerships with districts for
32 20 services, resources, and programs by mutual agreement or formal
32 21 contract.
32 22 b. A public charter school shall have primary responsibility
32 23 for special education at the school, including identification
32 24 and service provision. It shall be responsible for meeting the
32 25 needs of enrolled students with disabilities. In instances
32 26 where a student's individualized education program team
32 27 determines that a student's needs are so profound that they
32 28 cannot be met in the public charter school and that the public
32 29 charter school cannot provide a free, appropriate public
32 30 education to that student, the student's district of residence
32 31 shall place the student in a more appropriate setting.
32 32 Sec. 11. NEW SECTION. 257A.10 Funding.
32 33 1. Enrollment. The enrollment of students attending
32 34 public charter schools shall be included in the enrollment,
32 35 attendance, and, if applicable, count of children requiring



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33 1 special education of the school district in which the student
33 2 resides. The public charter school shall report all such data
33 3 to the school districts of residence in a timely manner. Each
33 4 school district shall report such enrollment, attendance, and
33 5 count of students with disabilities to the state department of
33 6 education.

33 7 2. Operational funding. The local school district of
33 8 residence shall pay directly to the public charter school
33 9 for each student enrolled in the public charter school who
33 10 resides in the school district an amount for that student
33 11 equal to one hundred percent of the amount calculated pursuant
33 12 to the state's funding formula for local school districts,
33 13 notwithstanding the oversight fee reductions pursuant to
33 14 section 257A.5, subsection 6.

33 15 3. Payment schedule. Payments made pursuant to this section
33 16 shall be made by local school districts in twelve substantially
33 17 equal installments each year beginning on the first business
33 18 day of July and every month thereafter. Amounts payable
33 19 under this section shall be determined by the department of
33 20 education. Amounts payable to a public charter school in its
33 21 first year of operation shall be based on the projections of
33 22 initial-year enrollment set forth in the charter contract.
33 23 Such projections shall be reconciled with the actual enrollment
33 24 at the end of the public charter school's first year of
33 25 operation, and any necessary adjustments shall be made to
33 26 payments during the school's second year of operation.

33 27 4. Sanctions for failure to make payments. In the event
33 28 of the failure of a local school district to make payments
33 29 required by this section, the state treasurer shall deduct
33 30 from the state foundation aid paid under section 257.16 to
33 31 the school district an amount equal to the unpaid obligation.
33 32 The treasurer of state shall pay over such sum to the public
33 33 charter school upon certification of the department of
33 34 education. The department of education shall adopt rules to
33 35 implement the provisions of this section.



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34 1 5. Categorical funding. A local school district shall
34 2 direct the proportionate share of moneys generated under
34 3 federal and state categorical aid programs pursuant to section
34 4 257.10 to public charter schools serving students eligible for
34 5 such aid. A local school district shall ensure that public
34 6 charter schools with rapidly expanding enrollments are treated
34 7 equitably in the calculation and disbursement of all federal
34 8 and state categorical aid program dollars. Each public charter
34 9 school that serves students who may be eligible to receive
34 10 services provided through such programs shall comply with all
34 11 reporting requirements to receive the aid.

34 12 6. Special education funding.

34 13 a. A local school district shall pay directly to a public
34 14 charter school any federal or state aid attributable to a
34 15 student with a disability attending the school.

34 16 b. At either party's request, a public charter school
34 17 and its authorizer may negotiate and include in the charter
34 18 contract alternate arrangements for the provision of and
34 19 payment for special education services.

34 20 7. Generally accepted accounting principles == independent
34 21 audit.

34 22 a. A public charter school shall adhere to generally
34 23 accepted accounting principles.

34 24 b. A public charter school shall annually engage an external
34 25 auditor to do an independent audit of the school's finances. A
34 26 public charter school shall file a copy of each audit report
34 27 and accompanying management letter to its authorizer by October
34 28 1.

34 29 8. Transportation funding.

34 30 a. The department of education shall disburse state
34 31 transportation funding pursuant to chapter 285 to a local
34 32 school district for each of the public charter school students
34 33 residing in the local school district on the same basis and
34 34 in the same manner as it is paid to local school districts.
34 35 A local school district shall disburse state transportation



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35 1 funding to a public charter school in proportion to the amount
35 2 generated by the school's students who reside in the local
35 3 school district.

35 4 b. A public charter school may enter into a contract
35 5 with a local school district or private provider to provide
35 6 transportation to the school's students.

35 7 9. Budget reserves. Any moneys received by a public charter
35 8 school from any source and remaining in the public charter
35 9 school's accounts at the end of any budget year shall remain
35 10 in the public charter school's accounts for use by the public
35 11 charter school during subsequent budget years.

35 12 10. Ability to accept gifts, donations, and grants. This
35 13 chapter shall not be construed to prohibit any person or
35 14 organization from providing funding or other assistance to the
35 15 establishment or operation of a public charter school. The
35 16 governing board of a public charter school may accept gifts,
35 17 donations, and grants of any kind made to the public charter
35 18 school and to expend or use such gifts, donations, and grants
35 19 in accordance with the conditions prescribed by the donor;
35 20 provided, however, that a gift, donation, or grant shall not
35 21 be accepted if subject to a condition that is contrary to any
35 22 provision of law or term of the charter contract.

35 23 Sec. 12. NEW SECTION. 257A.11 Facilities.

35 24 1. Per=student facility allowance.

35 25 a. The per=student facility allowance for public charter
35 26 schools shall be determined as follows: the total capital
35 27 costs for public schools in the state over the past five years
35 28 shall be divided by the total student count in the state over
35 29 the past five years.

35 30 b. The actual facility allowance payments to be received
35 31 by each public charter school shall be determined as follows:
35 32 the per=student facility allowance shall be multiplied by
35 33 the number of students estimated to be attending each public
35 34 charter school.

35 35 2. Public charter school facility grant program.



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36 1 a. The state board of education shall establish, within
36 2 available bond authorizations, a grant program to assist public
36 3 charter schools in financing school building projects, general
36 4 improvements to school buildings, and repayment of debt for
36 5 school building projects. Public charter schools may apply for
36 6 such grants to the state board of education at such time and in
36 7 such manner as the state board of education prescribes. The
36 8 state board of education shall give preference to applications
36 9 that provide for matching funds from nonstate sources.
36 10 b. For the purposes described in paragraph "a", the Iowa
36 11 finance authority shall have the power, from time to time, to
36 12 authorize the issuance of bonds of the state in one or more
36 13 series and in principal amounts not exceeding in the aggregate
36 14 amounts to be determined by the school budget review committee.
36 15 c. The proceeds of the sale of bonds under paragraph "b",
36 16 to the extent of the amount specified by the Iowa finance
36 17 authority pursuant to paragraph "b" shall be used by the state
36 18 board of education for the purpose of grants pursuant to
36 19 paragraph "a".
36 20 d. Bonds issued pursuant to this section shall be general
36 21 obligations of the state and the full faith and credit of the
36 22 state are pledged for the payment of the principal of and
36 23 interest on said bonds as the same become due, and accordingly
36 24 and as part of the contract of the state with the holders of
36 25 said bonds, appropriation of all amounts necessary for punctual
36 26 payment of such principal and interest is hereby made, and the
36 27 treasurer of state shall pay such principal and interest as the
36 28 same become due.
36 29 3. Public charter school facility revolving loan program.
36 30 a. A public charter school facility revolving loan program
36 31 is created in the state treasury under the control of the
36 32 state board of education. The public charter school facility
36 33 revolving loan program shall be comprised of federal funds
36 34 obtained by the state for public charter schools and any other
36 35 funds appropriated or transferred to the fund by the state.



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37 1 Funds appropriated to the public charter school facility
37 2 revolving loan program shall remain available for the purposes
37 3 of the program until reappropriated or reverted by the general
37 4 assembly.

37 5 b. Loans may be made from moneys in the public charter
37 6 school facility revolving loan program to a public charter
37 7 school, upon application by a public charter school and
37 8 approval by the state board of education or its designee.
37 9 Money loaned to a public charter school pursuant to this
37 10 section shall be for construction, purchase, renovation, and
37 11 maintenance of public charter school facilities. A loan
37 12 to a public charter school shall not exceed the number of
37 13 years allowed for loan payment or the loan amount specified
37 14 by the Iowa finance authority. A public charter school may
37 15 receive multiple loans from the public charter school facility
37 16 revolving loan program, as long as the total number of years
37 17 allowed for loan payment or the loan amount is not greater than
37 18 specified by the Iowa finance authority.

37 19 c. The Iowa finance authority or its designee may consider
37 20 all of the following when making a determination as to the
37 21 approval of a public charter school's loan application:

37 22 (1) Soundness of the financial business plans of the
37 23 applicant public charter school.

37 24 (2) Availability to the public charter school of other
37 25 sources of funding.

37 26 (3) Geographic distribution of loans made from the public
37 27 charter school facility revolving loan program.

37 28 (4) The impact that loans received pursuant to this section
37 29 will have on the public charter school's receipt of other
37 30 private and public financing.

37 31 (5) Plans for innovatively enhancing or leveraging funds
37 32 received pursuant to this section, such as loan guarantees or
37 33 other types of credit enhancements.

37 34 (6) The financial needs of the public charter school.

37 35 d. Commencing with the first fiscal year following the



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38 1 fiscal year the public charter school receives the loan, the
38 2 department of management shall deduct from apportionments made
38 3 to the public charter school, as appropriate, an amount equal
38 4 to the annual repayment of the amount loaned to the public
38 5 charter school under this section and pay the same amount into
38 6 the public charter school facility revolving loan account in
38 7 the state treasury. Repayment of the full amount loaned to
38 8 the public charter school shall be deducted by the department
38 9 of management in equal annual amounts over a number of years
38 10 agreed upon between the public charter school and the state
38 11 board of education or its designee, not to exceed the number of
38 12 years allowed for loan payment specified by the Iowa finance
38 13 authority for any loan.

38 14 e. Notwithstanding other provisions of law, a loan may be
38 15 made to a public charter school pursuant to this section only
38 16 in the case of a public charter school that is incorporated.

38 17 f. Notwithstanding other provisions of law, in the case
38 18 of default of a loan made directly to a public charter school
38 19 pursuant to this section, the public charter school shall be
38 20 solely liable for repayment of the loan.

38 21 4. Bonding authority.

38 22 a. As used in this subsection and subsection 5, unless the
38 23 context otherwise requires:

38 24 (1) "Authority" means the Iowa finance authority.

38 25 (2) "Bonds" means revenue bonds which are payable solely as
38 26 provided in this subsection.

38 27 b. The authority shall cooperate with the governing board
38 28 of public charter schools established pursuant to this chapter
38 29 and private developers, acting in conjunction with a governing
38 30 body to build housing facilities in connection with the public
38 31 charter school, in the creation, administration, and funding
38 32 of a public charter school bond program to finance school
38 33 facilities in connection with the public charter school.

38 34 c. The authority may issue its bonds and notes for the
38 35 purpose of funding the nonrecurring cost of acquiring,



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39 1 constructing, and equipping a public charter school-related
39 2 facility.
39 3 d. The authority may issue its bonds and notes for the
39 4 purposes of this chapter and may enter into one or more lending
39 5 agreements or purchase agreements with one or more bondholders
39 6 or noteholders containing the terms and conditions of the
39 7 repayment of and the security for the bonds or notes. The
39 8 authority and the bondholders or noteholders or a trustee
39 9 agent designated by the authority may enter into agreements to
39 10 provide for any of the following:
39 11 (1) That the proceeds of the bonds and notes and the
39 12 investments of the proceeds may be received, held, and
39 13 disbursed by the authority or by a trustee or agent designated
39 14 by the authority.
39 15 (2) That the bondholders or noteholders or a trustee or
39 16 agent designated by the authority may collect, invest, and
39 17 apply the amount payable under the loan agreements or any
39 18 other instruments securing the debt obligations under the loan
39 19 agreements.
39 20 (3) That the bondholders or noteholders may enforce the
39 21 remedies provided in the loan agreements or other instruments
39 22 on their own behalf without the appointment or designation of a
39 23 trustee. If there is a default in the principal of or interest
39 24 on the bonds or notes or in the performance of any agreement
39 25 contained in the loan agreements or other instruments, the
39 26 payment or performance may be enforced in accordance with the
39 27 loan agreement or other instrument.
39 28 (4) Other terms and conditions as deemed necessary or
39 29 appropriate by the authority.
39 30 e. The powers granted the authority under this subsection
39 31 are in addition to other powers contained in chapter 16.
39 32 The authority shall adopt rules pursuant to chapter 17A to
39 33 implement this subsection. All other provisions of chapter 16,
39 34 except section 16.28, subsection 4, apply to bonds or notes
39 35 issued and powers granted to the authority under this section,



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40 1 except to the extent they are inconsistent with this section.
40 2 f. All bonds or notes issued by the authority in connection
40 3 with the program are exempt from taxation by this state and the
40 4 interest on the bonds or notes is exempt from state income tax,
40 5 both personal and corporate.
40 6 g. The authority may provide in the resolution, trust
40 7 agreement, or other instrument authorizing the issuance of its
40 8 bonds or notes pursuant to this subsection that the principal
40 9 of, premium, and interest on the bonds or notes are payable
40 10 from any of the following and may pledge the same to its bonds
40 11 and notes:
40 12 (1) From the net rents, profits, and income arising from the
40 13 project or property pledged or mortgaged.
40 14 (2) From the net rents, profits, and income which has
40 15 not been pledged for other purposes arising from any similar
40 16 facility under the control and management of the public charter
40 17 school or the public charter school's governing body.
40 18 (3) From the funding received by the public charter school
40 19 governing board pursuant to section 257A.10.
40 20 (4) From the amounts on deposit in the name of a public
40 21 charter school or a private developer or operator of a public
40 22 charter school facility, including but not limited to revenues
40 23 from a purchase, rental, or lease agreement, loan agreement, or
40 24 other facility charges.
40 25 (5) From the amounts payable to the authority, the public
40 26 charter school or the governing board, or a private developer
40 27 or operator, pursuant to a loan agreement, lease agreement, or
40 28 sale agreement.
40 29 (6) From funds received pursuant to subsection 6.
40 30 (7) From the other funds or accounts established by the
40 31 authority in connection with the program or the sale and
40 32 issuance of its bonds or notes.
40 33 h. No obligation created hereunder shall ever be or become
40 34 a charge against the state of Iowa but all such obligations,
40 35 including principal and interest, shall be payable solely as



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41 1 provided in this subsection.

41 2 i. The authority may establish reserve funds to secure
41 3 one or more issues of its bonds or notes. The authority may
41 4 deposit in a reserve fund established under this subsection,
41 5 the proceeds of the sale of its bonds or notes and other money
41 6 which is made available from any other source.

41 7 j. A pledge made in respect of bonds or notes is valid
41 8 and binding from the time the pledge is made. The money or
41 9 property so pledged and received after the pledge by the
41 10 authority is immediately subject to the lien of the pledge
41 11 without physical delivery or further act. The lien of the
41 12 pledge is valid and binding as against all persons having
41 13 claims of any kind in tort, contract, or otherwise against
41 14 the authority whether or not the parties have notice of the
41 15 lien. Neither the resolution, trust agreement, nor any other
41 16 instrument by which a pledge is created needs to be recorded,
41 17 filed, or perfected under chapter 554, to be valid, binding, or
41 18 effective against all persons.

41 19 k. The members of the authority or persons executing the
41 20 bonds or notes are not personally liable on the bonds or notes
41 21 and are not subject to personal liability or accountability by
41 22 reason of the issuance of the bonds or notes.

41 23 l. The bonds or notes issued by the authority are not
41 24 an indebtedness or other liability of the state or of a
41 25 political subdivision of the state within the meaning of any
41 26 constitutional or statutory debt limitations, but are special
41 27 obligations of the authority and are payable solely from
41 28 the income and receipts or other funds or property of the
41 29 public charter school, governing body, or private developer,
41 30 and the amounts on deposit in a public charter school bond
41 31 fund, and the amounts payable to the authority under its loan
41 32 agreements with a public charter school, governing body, or
41 33 private developer to the extent that the amounts are designated
41 34 in the resolution, trust agreement, or other instrument of
41 35 the authority authorizing the issuance of the bonds or notes



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42 1 as being available as security for the bonds or notes. The
42 2 authority shall not pledge the faith or credit of the state
42 3 or of a political subdivision of the state to the payment of
42 4 any bonds or notes. The issuance of any bonds or notes by
42 5 the authority does not directly, indirectly, or contingently
42 6 obligate the state or a political subdivision of the state
42 7 to apply money from, or levy, or pledge any form of taxation
42 8 whatever to the payment of the bonds or notes.
42 9 5. Moral obligation of the state.
42 10 a. The general assembly hereby finds and declares that its
42 11 intent in enacting this section is to support public charter
42 12 schools and public charter school capital construction by
42 13 helping qualified public charter schools that choose to have
42 14 the authority issue bonds on their behalf obtain more favorable
42 15 financing terms for the bonds.
42 16 b. If the authority has issued bonds on behalf of a public
42 17 charter school that defaults on its debt service payment
42 18 obligations, the board of directors of the authority shall
42 19 submit to the governor a certificate certifying any amount
42 20 of moneys required to fulfill the school's debt service
42 21 payment obligations. The governor shall submit a request for
42 22 appropriations in an amount sufficient to fulfill the school's
42 23 debt service payment obligations and the general assembly may,
42 24 but shall not be required to, appropriate moneys for that
42 25 purpose. If, in its sole discretion, the general assembly
42 26 appropriates any moneys for that purpose, the aggregate
42 27 outstanding principal amount of bonds for which moneys may
42 28 be appropriated for said purpose shall not exceed an amount
42 29 specified by the Iowa finance authority.
42 30 6. Access to state facilities programs for noncharter public
42 31 schools.
42 32 a. A public charter school shall have access to any school
42 33 infrastructure funds available under chapter 292 and any school
42 34 infrastructure safety funds available under section 423E.6.
42 35 b. The school district of residence shall pay directly to



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43 1 the public charter school for each student enrolled in the
43 2 public charter school who resides in the school district an
43 3 amount for that student equal to one hundred percent of the
43 4 amount calculated pursuant to the secure an advanced vision for
43 5 education fund distribution formula pursuant to section 423E.4.
43 6 7. Credit enhancement fund.
43 7 a. A credit enhancement fund under the control of the
43 8 state board of education is created in the state treasury if
43 9 the general assembly appropriates funds to the department of
43 10 education for purposes of this subsection.
43 11 b. Using the moneys deposited in the fund, the state
43 12 board of education shall make and disburse grants to eligible
43 13 nonprofit corporations to carry out the purposes described in
43 14 paragraph "c".
43 15 c. The recipient of a grant under this fund shall use the
43 16 moneys provided under the grant to carry out activities to
43 17 assist public charter schools in doing the following:
43 18 (1) Obtaining financing to acquire interests in real
43 19 property, including but not limited to purchase, lease,
43 20 or donation, and including financing to cover planning,
43 21 development, and other incidental costs.
43 22 (2) Obtaining financing for construction of facilities or
43 23 the renovation, repair, or alteration of existing property
43 24 or facilities, including but not limited to the purchase or
43 25 replacement of fixtures and equipment; including financing to
43 26 cover planning, development, and other incidental costs.
43 27 (3) Enhancing the availability of loans, including but not
43 28 limited to mortgages, and bonds.
43 29 (4) Obtaining lease guarantees.
43 30 d. Funds provided under a grant under this subsection shall
43 31 not be used by a recipient to make direct loans or grants to
43 32 public charter schools.
43 33 8. Access to district facilities and land. A public charter
43 34 school shall have a right of first refusal to purchase or lease
43 35 at or below fair market value a closed public school facility



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44 1 or property or unused portions of a public school facility or
44 2 property located in a local school district from which it draws
44 3 its students if the local school district decides to sell or
44 4 lease the public school facility or property.

44 5 9. Contracting for use of facilities. A public charter
44 6 school may negotiate and contract at or below fair market value
44 7 with a local school district, the governing body of a state
44 8 college or university or public community college, or any other
44 9 public or for-profit or nonprofit private entity for the use of
44 10 a facility for a school building.

44 11 10. Use of other facilities under preexisting zoning and
44 12 land use designations. Library, community service, museum,
44 13 performing arts, theatre, cinema, church, community college,
44 14 college, and university facilities may provide space to public
44 15 charter schools within their facilities under their preexisting
44 16 zoning and land use designations.

44 17 11. Exemptions from property taxes and certain fees.

44 18 a. Any facility, or portion thereof, used to house a public
44 19 charter school shall be exempt from property taxes.

44 20 b. Public charter school facilities are exempt from
44 21 assessments of fees for building permits, fees for building and
44 22 occupational licenses, impact fees, service availability fees,
44 23 and assessments for special benefits.

44 24 Sec. 13. IOWA PUBLIC CHARTER SCHOOL COMMISSION. There is
44 25 appropriated from the general fund of the state to the Iowa
44 26 public charter school commission for the fiscal year beginning
44 27 July 1, 2010, and ending June 30, 2011, the following amount,
44 28 or so much thereof as is necessary, to be used for the purposes
44 29 designated:

44 30 For purposes of administering chapter 257A, if enacted
44 31 by this Act, including salaries, support, maintenance, and
44 32 miscellaneous purposes:
44 33 \$ 250,000

EXPLANATION

44 35 This bill establishes the "Public Charter Schools Act", and



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45 1 creates the Iowa public charter school commission as a public
45 2 charter school authorizer oversight body. Local school boards,
45 3 accredited public and private postsecondary institutions,
45 4 cities, and governing boards of nonprofit or charitable
45 5 organizations may apply to the commission for authorizing
45 6 ability. The bill appropriates \$250,000 from the general fund
45 7 of the state to the commission for fiscal year 2010=2011 for
45 8 purposes of administering the Code chapter.

45 9 The bill includes legislative findings and declarations,
45 10 and provides for the establishment of virtual public charter
45 11 schools that will offer educational services predominantly
45 12 through the internet.

45 13 A public charter school shall be open to any student
45 14 residing in the state and may limit admission to students
45 15 within a given age group or grade level and may be organized
45 16 around a special emphasis, theme, or concept as stated in the
45 17 school's application. A public charter school must enroll all
45 18 students who wish to attend the school, unless the number of
45 19 students exceeds the capacity of a program, class, grade level,
45 20 or building. The bill includes provisions for enrollment
45 21 preferences and credit transferability.

45 22 Eligible public charter school authorizers are responsible
45 23 for soliciting and evaluating charter applications, approving
45 24 quality charter applications, declining to approve weak or
45 25 inadequate charter applications, negotiating and executing
45 26 sound charter contracts with each approved public charter
45 27 school, monitoring the performance and legal compliance
45 28 of public charter schools, and determining whether each
45 29 charter contract merits renewal, nonrenewal, or revocation.
45 30 An authorizing entity may delegate its duties to offices,
45 31 employees, and contractors.

45 32 To cover authorizer costs for overseeing public charter
45 33 schools, the commission shall remit to each authorizer an
45 34 oversight fee for each public charter school it authorizes.
45 35 The oversight fee shall be drawn from and calculated as a



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46 1 uniform percentage of the per=student operational funding
46 2 allocated to each public charter school, not to exceed 3
46 3 percent of each public charter school's per=student funding in
46 4 a single school year.
46 5 The commission consists of nine members serving three=year
46 6 terms. Three members shall be appointed by the governor; three
46 7 members shall be appointed by the president of the senate;
46 8 and three members shall be appointed by the speaker of the
46 9 house of representatives. The commission must establish the
46 10 annual application and approval process, including cycles and
46 11 deadlines during the fiscal year, for all entities eligible to
46 12 apply for chartering authority. The commission is responsible
46 13 for overseeing the performance and effectiveness of all
46 14 authorizers.
46 15 The commission shall establish a statewide formula for
46 16 authorizer funding, which shall apply uniformly to every
46 17 authorizer in the state. The commission shall submit the
46 18 formula, and any succeeding amendments to the formula, to
46 19 the department of management, the general assembly, and the
46 20 governor, and shall provide any additional information required
46 21 by the department. The formula shall be established by
46 22 statute prior to the appropriation or distribution of state
46 23 funds for purposes of establishing a public charter school.
46 24 The commission may establish a sliding scale for authorizer
46 25 funding, with the funding percentage decreasing after the
46 26 authorizer has achieved a certain threshold, such as after
46 27 a certain number of years of authorizing or after a certain
46 28 number of schools has been authorized.
46 29 Funding is provided through the school district of
46 30 residence, as the enrollment of students attending public
46 31 charter schools must be included in the enrollment, attendance,
46 32 and, if applicable, count of children requiring special
46 33 education of the school district in which the student resides.
46 34 The public charter school shall report all such data to the
46 35 school districts of residence in a timely manner. Each school



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47 1 district shall report such enrollment, attendance, and count
47 2 of students with disabilities to the state department of
47 3 education. The school district must pay directly to the public
47 4 charter school for each student enrolled in the public charter
47 5 school who resides in the school district 100 percent of the
47 6 amount calculated under the state's funding formula, and any
47 7 categorical funds, for that student. A school district shall
47 8 pay directly to a public charter school any federal or state
47 9 aid attributable to a student with a disability attending the
47 10 school.

47 11 Every authorizer is required to submit to the commission
47 12 and the general assembly an annual report. Persistently
47 13 unsatisfactory performance of an authorizer's portfolio of
47 14 public charter schools, a pattern of well-founded complaints
47 15 about the authorizer or its public charter schools, or other
47 16 objective circumstances may trigger a special review by the
47 17 commission.

47 18 If an authorizer granted chartering authority persists,
47 19 after due notice from the commission, in violating a
47 20 material provision of a charter contract or its authorizing
47 21 contract with the commission, or fails to remedy other
47 22 identified authorizing problems, the commission shall notify
47 23 the authorizer that it intends to revoke the authorizer's
47 24 chartering authority unless the authorizer demonstrates
47 25 a timely and satisfactory remedy for the violation or
47 26 deficiencies.

47 27 To solicit, encourage, and guide the development of quality
47 28 public charter school applications, every authorizer must
47 29 issue and broadly publicize a request for proposals. Charter
47 30 applicants may submit a proposal for a particular public
47 31 charter school to no more than one authorizer at a time. The
47 32 bill includes a list of what each charter application must
47 33 include.

47 34 In the case of a proposal to establish a virtual public
47 35 charter school, the request for proposals for applications



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48 1 shall additionally require the applicants to describe the
48 2 proposed school's system of course credits and how the school
48 3 will monitor and verify full-time student enrollment, student
48 4 participation in a full course load, credit accrual, and course
48 5 completion; monitor and verify student progress and performance
48 6 in each course through regular, proctored assessments and
48 7 submissions of coursework; conduct parent-teacher conferences,
48 8 and administer state-required assessments to all students in a
48 9 proctored setting.

48 10 A proposed public charter school may contract with an
48 11 education service provider for substantial educational
48 12 services, management services, or both types of services.

48 13 In reviewing and evaluating charter applications,
48 14 authorizers must employ procedures, practices, and criteria
48 15 consistent with nationally recognized principles and standards
48 16 for quality charter authorizing. The application review
48 17 process shall include thorough evaluation of each written
48 18 charter application, an in-person interview with the applicant
48 19 group, and an opportunity in a public forum for local residents
48 20 to learn about and provide input on each application.

48 21 In deciding whether to approve charter applications,
48 22 authorizers must grant charters only to applicants that have
48 23 demonstrated competence in each element of the authorizer's
48 24 published approval criteria and are likely to open and
48 25 operate a successful public charter school; base decisions on
48 26 documented evidence collected through the application review
48 27 process; and follow charter-granting policies and practices
48 28 that are transparent, based on merit, and avoid conflicts of
48 29 interest or any appearance of conflicts of interests.

48 30 For any charter denial, the authorizer shall clearly state,
48 31 for public record, its reasons for denial. A denied applicant
48 32 may subsequently reapply to that authorizer or apply to any
48 33 other authorizer in the state.

48 34 An initial charter shall be granted for a term of five
48 35 operating years.



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49 1 The performance provisions within the charter contract shall
49 2 be based on a performance framework that clearly sets forth
49 3 the academic and operational performance indicators, measures,
49 4 and metrics that will guide the authorizer's evaluations of
49 5 each public charter school. The performance framework includes
49 6 indicators and measures for student academic proficiency,
49 7 student academic growth, achievement gaps in both proficiency
49 8 and growth between major student subgroups, attendance,
49 9 recurrent enrollment from year to year, postsecondary
49 10 readiness, financial performance and sustainability, and board
49 11 performance and stewardship.

49 12 The bill provides for ongoing oversight and corrective
49 13 actions. Every authorizer is authorized to take appropriate
49 14 corrective actions or exercise sanctions short of revocation
49 15 in response to apparent deficiencies in public charter school
49 16 performance or legal compliance. Such actions or sanctions
49 17 may include, if warranted, requiring a school to develop and
49 18 execute a corrective action plan within a specified time frame.

49 19 A charter may be renewed for successive five-year terms of
49 20 duration. A charter contract may be revoked at any time or not
49 21 renewed if the authorizer determines that the public charter
49 22 school commits a material and substantial violation of any of
49 23 the terms, conditions, standards, or procedures required under
49 24 the new Code chapter or the charter contract, fails to meet or
49 25 make sufficient progress toward the performance expectations
49 26 set forth in the charter contract, fails to meet generally
49 27 accepted standards of fiscal management, or substantially
49 28 violates any material provision of law from which the public
49 29 charter school was not exempted.

49 30 Prior to any public charter school closure decision, an
49 31 authorizer must have developed a public charter school closure
49 32 protocol to ensure timely notification to parents, orderly
49 33 transition of students and student records to new schools, and
49 34 proper disposition of school funds, property, and assets. In
49 35 the event of a public charter school closure, the assets of



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50 1 the school shall be distributed first to satisfy outstanding
50 2 payroll obligations for employees of the school, then to
50 3 creditors of the school, and then to the commission for
50 4 transfer to the treasurer of state for deposit in the state
50 5 general fund.

50 6 On or before December 1, the commission must issue to the
50 7 governor, the general assembly, and the public at large, an
50 8 annual report on the state's public charter schools, drawing
50 9 from the annual reports submitted by every authorizer as well
50 10 as any additional relevant data compiled by the commission, for
50 11 the school year ending in the preceding calendar year.

50 12 A public charter school shall be a nonprofit education
50 13 organization subject to all federal laws. For purposes of
50 14 federal programs and funding, a public charter school shall
50 15 function as a local educational agency.

50 16 The per=student facility allowance for public charter
50 17 schools shall be the total capital costs for public schools in
50 18 the state over the past five years divided by the total student
50 19 count in the state over the past five years. The actual
50 20 facility allowance payments to be received by each public
50 21 charter school shall be determined as follows: the per=student
50 22 facility allowance shall be multiplied by the number of
50 23 students estimated to be attending each public charter school.

50 24 The bill directs the state board of education to establish,
50 25 within available bond authorizations, a grant program to assist
50 26 public charter schools in financing school building projects,
50 27 general improvements to school buildings, and repayment of
50 28 debt for school building projects. Public charter schools
50 29 may apply for such grants to the state board of education at
50 30 such time and in such manner as the state board of education
50 31 prescribes. The state board of education shall give preference
50 32 to applications that provide for matching funds from nonstate
50 33 sources.

50 34 The bill authorizes the Iowa finance authority to issue
50 35 bonds in aggregate amounts to be determined by the school



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51 1 budget review committee. The proceeds of the sale of bonds
51 2 shall be used by the state board of education for public
51 3 charter school facilities. The bill establishes a public
51 4 charter school facility revolving loan program in the state
51 5 treasury under the control of the state board of education
51 6 comprised of federal funds obtained by the state for public
51 7 charter schools and any other funds appropriated or transferred
51 8 to the fund by the state. Loans may be made from moneys in
51 9 the revolving loan program to a public charter school. Money
51 10 loaned to a public charter school shall be for construction,
51 11 purchase, renovation, and maintenance of public charter school
51 12 facilities.

51 13 A public charter school shall have access to any school
51 14 infrastructure funds available under Code chapter 292, any
51 15 school infrastructure safety funds available under Code section
51 16 423E.6, and the school district of residence shall pay directly
51 17 to the public charter school for each student enrolled in the
51 18 public charter school who resides in the school district an
51 19 amount for that student equal to 100 percent of the amount
51 20 calculated pursuant to the secure an advanced vision for
51 21 education fund distribution formula pursuant to Code section
51 22 423E.4.

51 23 The bill creates in the state treasury, if the general
51 24 assembly appropriates funds to the department of education
51 25 for purposes of the fund, a credit enhancement fund under the
51 26 control of the state board of education. Fund moneys can be
51 27 used by the state board to make and disburse grants to eligible
51 28 nonprofit corporations to carry out activities to assist public
51 29 charter schools in obtaining financing to acquire interests
51 30 in real property and for construction of facilities or the
51 31 renovation, repair, or alteration of existing property or
51 32 facilities; for enhancing the availability of loans; and for
51 33 obtaining lease guarantees.

51 34 A public charter school is given first refusal rights to
51 35 purchase or lease at or below fair market value a closed public



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52 1 school facility or property or unused portions of a public
52 2 school facility or property located in a school district from
52 3 which it draws its students if the school district decides to
52 4 sell or lease the public school facility or property.
52 5 A public charter school may negotiate and contract at or
52 6 below fair market value with a school district, the governing
52 7 body of a state college or university or public community
52 8 college, or any other public or for-profit or nonprofit private
52 9 entity for the use of facility for a school building.
52 10 Any facility used to house a public charter school is exempt
52 11 from property taxes and from assessments of fees for building
52 12 permits, fees for building and occupational licenses, impact
52 13 fees, service availability fees, and assessments for special
52 14 benefits.

LSB 5481YH (15) 83

kh/rj



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House Joint Resolution 2015 - Introduced

HOUSE JOINT RESOLUTION

BY PETTENGILL,
WINDSCHITL, HORBACH,
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ENGELENHOVEN, BAUDLER,
SWEENEY, MAY,
CHAMBERS, L. MILLER,
FORRISTALL, TJEPKES,
HELLAND, GRASSLEY,
KAUFMANN, DRAKE,
WORTHAN, HAGENOW,
LUKAN, SODERBERG,
SORENSEN, SCHULTE,
HEATON, ANDERSON,
TYMESON, UPMEYER,
PAULSEN, RAYHONS,
WATTS, ROBERTS,
DOLECHECK, SANDS, S.
OLSON, HUSEMAN,
STRUYK, DE BOEF,
ALONS, COWNIE,
KOESTER, MERTZ, and
BERRY

HOUSE JOINT RESOLUTION

1 A Joint Resolution proposing an amendment to the Constitution
2 of the State of Iowa modifying the oath of members of the
3 general assembly.
4 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 5793YH (5) 83
sc/rj



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PAG LIN

1 1 Section 1. The following amendment to the Constitution of
1 2 the State of Iowa is proposed:

1 3 Section 32 of Article III of the Constitution of the State of
1 4 Iowa is amended to read as follows:

1 5 Oath of members. SEC. 32. Members of the General Assembly
1 6 shall, before they enter upon the duties of their respective
1 7 offices, take and subscribe the following oath or affirmation:

1 8 "I do solemnly swear, or affirm, (as the case may be,) that I
1 9 will support the Constitution of the United States, and the
1 10 Constitution of the State of Iowa, and that I will faithfully
1 11 discharge the duties of Senator, (or Representative, as the
1 12 case may be,) according to the best of my ability, so help me
1 13 God." And members of the General Assembly are hereby empowered
1 14 to administer to each other the said oath or affirmation.

1 15 If a member of the General Assembly, by reason of religious
1 16 training and belief or for other reasons of good conscience,
1 17 cannot take the oath or affirmation prescribed with the words
1 18 "so help me God" included, the words "so help me God" shall be
1 19 deleted, and the oath or affirmation taken in such modified
1 20 form.

1 21 Sec. 2. REFERRAL AND PUBLICATION. The foregoing amendment
1 22 to the Constitution of the State of Iowa is referred to the
1 23 General Assembly to be chosen at the next general election
1 24 for members of the General Assembly, and the Secretary of
1 25 State is directed to cause the same to be published for three
1 26 consecutive months previous to the date of that election as
1 27 provided by law.

1 28 EXPLANATION

1 29 This joint resolution proposes an amendment to the
1 30 Constitution of the State of Iowa to modify the prescribed oath
1 31 of members of the general assembly by adding the words "so help
1 32 me God".

1 33 The resolution also provides that, for religious reasons or
1 34 reasons of conscience, a member of the General Assembly may
1 35 take the oath without the words "so help me God" included.



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House Joint Resolution 2015 - Introduced continued

2 1 The resolution, if adopted, would be referred to the next
2 2 general assembly before the amendment is submitted to the
2 3 electorate for ratification.

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sc/rj